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This brochure provides information about the qualifications and business practices of Dwight Asset Management Company LLC ("Dwight"). If you have any questions about the contents of this brochure, please contact us at (802) 383-4143 or at dwhitcomb@dwight.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority. Dwight is registered with the SEC as an investment adviser. Registration with the SEC does not imply a certain level of skill or training.

Additional information about Dwight Asset Management Company LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes

The following is a summary of material changes to Dwight's business since the last annual update of this brochure, dated March 31, 2012. The current version of this brochure reflects an interim amendment as of August 1, 2012.

On May 15, 2012, Goldman Sachs Asset Management, L.P. ("GSAML") acquired Dwight from Old Mutual (US) Holdings Inc. and Dwight became a wholly-owned subsidiary of GSAML. Many of Dwight's services are now performed by certain GSAML employees who now are also employees of Dwight, or otherwise by GSAML employees under arrangements between Dwight and GSAML. As a result, this brochure has been amended to reflect Dwight's affiliation with GSAML and the other Goldman Sachs entities (as defined below), and to present the description of investment strategies, investment risk, and policies and procedures in a manner consistent with that of GSAML.

You may request a copy of Dwight's most recently updated brochure at any time, without charge, by contacting Daniel Whitcomb, Dwight's Chief Compliance Officer, at (802) 383-4143 or at dwhitcomb@dwight.com.

Table of Contents

Item 4 - Advisory Business.....	1
Item 5 - Fees and Compensation.....	3
Item 6 - Performance-Based Fees and Side-By-Side Management.....	9
Item 7 - Types of Clients.....	12
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss.....	13
Item 9 - Disciplinary Information.....	36
Item 10 - Other Financial Industry Activities and Affiliations.....	37
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	43
Item 12 - Brokerage Practices.....	49
Item 13 - Review of Accounts.....	52
Item 14 - Client Referrals and Other Compensation.....	53
Item 15 - Custody.....	54
Item 16 - Investment Discretion.....	55
Item 17 - Voting Client Securities.....	55
Item 18 - Financial Information.....	57
Item 19 - Miscellaneous.....	57

Item 4. Advisory Business

Headquartered in Burlington, Vermont, Dwight is a registered investment adviser focused on fixed income investment management services for institutional clients, including retirement plans, corporations, public funds, insurance companies, financial institutions, endowments, foundations and Taft-Hartley plans. Dwight was founded in 1983, and in 1985 registered with the SEC as an investment adviser.

On May 15, 2012, Dwight became a wholly-owned subsidiary of GSAML P when GSAML P acquired Dwight from Old Mutual (US) Holdings Inc. Dwight is a part of The Goldman Sachs Group, Inc., a public company that is a bank holding company, financial holding company and a world-wide, full-service financial services organization. The Goldman Sachs Group, Inc. indirectly is the sole owner of Dwight. In this brochure, The Goldman Sachs Group, Inc., GSAML P, Dwight and their respective affiliates, directors, partners, trustees, managers, members, officers and employees are referred to collectively as “Goldman Sachs.” Many of Dwight’s services are now performed by certain GSAML P employees who now are also employees of Dwight, or otherwise by GSAML P employees under arrangements between Dwight and GSAML P. As a result, references to Dwight in this brochure should be considered to include GSAML P employees to the extent that they are performing services for Advisory Accounts (as defined below).

Dwight provides discretionary and non-discretionary advice based on the unique needs of each of its clients. Factors that may be considered include client investment objectives and strategies, assets under management, liquidity needs, diversification, duration, anticipated plan or account changes, liability profile and anticipated corporate changes. Dwight’s services include portfolio evaluation, portfolio structuring, credit analysis, review of investment opportunities, structuring of investments, purchasing and selling investments, review and oversight of third-party managers and monitoring of client portfolios. Dwight manages assets on a separate account basis and for commingled investment funds (collectively, “Advisory Accounts”).

Dwight offers investment advice with regard to a broad range of fixed income investments including:

- securities issued or guaranteed by the U.S. government and U.S. government agencies and instrumentalities
- investment grade and high yield corporate securities, “yankee” bonds, and loan participations and assignments
- residential and commercial mortgage-backed securities and collateralized mortgage obligations
- asset-backed securities
- municipal securities
- supranational, local authority and other non-U.S. (including emerging market) investments

- repurchase agreements
- interest rate, total return, credit default and other swap transactions
- private placements, including Rule 144A securities and privately offered collective investment vehicles
- money market instruments and other liquid short-term investments
- managed portfolios of fixed income instruments, including mutual funds and other commingled investment funds and separate account bond portfolios, managed by third-party managers or internally
- options on securities, securities indices and swaps, and futures and options on futures
- securities purchased on a forward basis, including “To Be Announced” securities (“TBAs”)
- guaranteed investment contracts, funding agreements, book value wrap contracts and separate account contracts issued by insurance companies, banks or other financial institutions

Other than investments in certain mutual funds or other pooled investment vehicles and exchange-traded funds, Dwight does not generally provide investment advice to clients with respect to equity securities.

Dwight establishes investment strategies, policies, procedures and guidelines based on each Advisory Account’s investment objective(s), and these investment objective(s), strategies and guidelines are typically set forth in a client’s advisory agreement. An Advisory Account may provide Dwight with investment guidelines, or the Advisory Account and Dwight may collaborate on the development of investment guidelines. In addition, Dwight may establish internal guidelines, restrictions or policies beyond those imposed by Advisory Accounts. Investors in commingled investment vehicles managed by Dwight are subject to the investment guidelines or restrictions established by the funds. For certain Advisory Account mandates, Dwight retains third-party managers for all or part of the mandate or assists the Advisory Account with such retention or oversight of or reporting with respect to the manager and/or provides reporting to the Advisory Account with respect to the manager. Dwight’s retention of external managers may be subject, at a minimum, to client review in advance, or, in other cases, to client approval. An Advisory Account may impose limitations on Dwight’s ability to retain or terminate a third-party manager, pursuant to the terms of Dwight’s agreement with the Advisory Account, including in certain cases, clients retaining the authority to hire and terminate third-party managers. Third-party managers appointed by Dwight on behalf of clients or who otherwise act on behalf of an Advisory Account are responsible for making investment decisions consistent with the applicable investment guidelines and restrictions developed by Dwight and/or the client. Where Dwight is the investment adviser to a pooled investment vehicle, investment objectives, guidelines and any investment restrictions are not tailored to the needs of individual investors in those vehicles, but rather are described in the relevant offering documents for the vehicle.

For retirement plans and other Advisory Accounts that have a “stable value” or similar investment objective, providers of wrap or other benefit responsive agreements (“Stable Value Contracts”) typically require that the Advisory Account be managed within specified guidelines as a part of their underwriting process. These guidelines are generally in addition to those imposed by the Advisory Account, and may serve to limit the scope or types of investments that Dwight might otherwise include within an Advisory Account’s portfolio. These restrictions typically apply to third-party managers or commingled funds that are included within an Advisory Account’s portfolio and, with respect to commingled funds, could affect investors who would not otherwise be subject to these limitations (e.g., investors that do not have “stable value” or a similar objective). Requirements of law may also govern the investments Dwight is permitted to make for an Advisory Account.

As of April 30, 2012 Dwight managed \$17,029,064,750 in assets on a discretionary basis and \$18,153,343,506 in assets on a non-discretionary basis.

Item 5. Fees and Compensation

COMPENSATION FOR ADVISORY SERVICES

Separately Managed Accounts

Clients generally pay advisory fees for separate account management based on a percentage of assets (generally either the book value or the net asset value of the account) in their Advisory Account(s). Dwight’s actual fees, minimum fees and minimum account sizes may be negotiated, and a client may pay more or less than the fees set forth below or more or less than similar clients depending on factors that may include the particular circumstances of the client, the size and scope of the overall client relationship (including other relationships with Goldman Sachs), additional or differing levels of servicing or as may be otherwise agreed with specific clients. Servicing arrangements such as reporting may also vary among clients. Clients with multiple Advisory Accounts with Dwight and/or other Goldman Entities may be able to aggregate accounts managed by Dwight within each asset class or across Advisory Accounts for purposes of applying for lower fee rates at higher asset levels (referred to herein as “breakpoints”) or reduced fee schedules. Dwight may, in its discretion, offer certain clients lower fees, waive minimums on fees or provide lowest available fee arrangements. Clients that negotiate fees with differing breakpoints, including flat fees and performance-based fees, may end up paying a higher fee than as set forth in the standard fee schedule as a result of fluctuations in the amount of the client’s assets under management and account performance.

Pooled Investment Vehicle Fees

Dwight acts as investment adviser/investment manager to pooled investment vehicles such as collective investment trusts and other commingled funds. Dwight’s affiliate, Goldman Sachs

Trust Company, N.A. ("GSTC"), or another Goldman Sachs Entity, may serve as the trustee and/or managing member for such vehicles and receive fees. Dwight and GSTC (or other Goldman Sachs Entity) fees for such services are based on each investment vehicle's particular circumstance. GSTC generally receives a trustee/management fee for pooled investment vehicles while Dwight receives a fee for advisory services performed for the vehicle. The amount and structure of the trustee/management and advisory fees and/or allocation between GSTC and Dwight may vary from fund to fund and is set forth in the relevant offering documents for each fund. Fees may be reallocated between GSTC and Dwight within the scope of the fees approved by the investor. In certain cases, investors may receive fee reductions of a portion of the management or advisory fee attributable to an investor's interest in the pooled investment vehicle, or invest fee free in pooled investment vehicles and pay negotiated fees, which may be based on a separate fee schedule agreed upon by GSTC, Dwight and the applicable investor. Master-feeder funds are subject to multiple levels of expenses and, in certain cases, may be subject to multiple levels of fees.

Underlying Fund Fees

Where Dwight has recommended or invested client assets in pooled investment vehicles, clients generally will pay all fees and expenses applicable to an investment in the pooled investment vehicles, including asset-based and other compensation payable in consideration of services provided to the pooled investment vehicles, as well as fees paid for advisory, administration, accounting, custody, transfer agency and other services, which may be paid to GSAMLP or its affiliates. An investor in a fund-of-funds vehicle will also bear a proportionate share of the fees and expenses of each investment fund in which the fund-of-funds invests. All fees and expenses of underlying investment funds are generally in addition to the advisory fees each Advisory Account pays to Dwight.

Considerations Related to Asset-Based Fees

Dwight may receive different types of compensation in respect of Advisory Accounts. Asset-based compensation is based on the market value of the investments in the Advisory Account and is paid without regard to the performance of the Advisory Account. Dwight may receive significant asset-based compensation in respect of an Advisory Account even if the Advisory Account loses money.

Compensation Received by Goldman Sachs

Compensation received by Dwight and its affiliates related to various services to Advisory Accounts that are pooled investment vehicles and investment funds in which Advisory Accounts invest generally will be retained by Dwight and its affiliates. Except to the extent required by applicable law, Dwight is not required to offset such compensation against fees and expenses a client or Advisory Account may otherwise owe Dwight and its affiliates. In certain circumstances, however, clients may negotiate for certain of the fees charged in respect of

Advisory Accounts that are pooled investment vehicles to be credited against the fees Dwight charges such clients in respect of other Advisory Accounts in which they invest.

CALCULATION AND DEDUCTION OF ADVISORY FEES

Advisory and management fees for Advisory Accounts generally are calculated and billed either monthly or quarterly in arrears depending on the Advisory Account, and are payable within thirty (30) days upon the client's receipt of an invoice. Subject to negotiation, fees will be prorated through the date of liquidation or termination. Clients generally arrange with their trustee or custodian to have such fees debited directly from the client's account to credit Dwight, subject to applicable law.

Dwight's standard fee schedule for separate account management is based on the type of client investment strategy, as follows (on an annual basis)¹:

Stable Value Strategy Oversight*

First \$100 million	0.15%
Next \$200 million	0.125%
Next \$200 million	0.10%
Next \$500 million	0.075%
Balance over \$1 billion	0.04%
Minimum annual fee	\$100,000

*Intended for standard stable value strategy oversight services and exclusive of book value wrap, advisory, third-party manager and other fees and expenses that may be incurred by an Advisory Account directly or indirectly, including those of the trustee and custodian or other agents of the plan sponsor.

Money Market

First \$500 million	0.15%
Next \$500 million	0.125%
Balance above \$1 billion	0.10%
Minimum annual fee	\$200,000

Short Duration

First \$100 million	0.20%
Next \$200 million	0.15%
Next \$200 million	0.12%
Balance above \$500 million	0.10%
Minimum annual fee	\$200,000

¹ All fees assume a single portfolio with standard reporting, servicing and portfolio management requirements, including standard benchmarks.

Assumed Target Tracking Error	0.0% - 0.75%
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Core Intermediate Duration

First \$100 million	0.275%
Next \$400 million	0.20%
Balance above \$500 million	0.12%
Minimum annual fee	\$200,000
Assumed Target Tracking Error	0.5% - 0.75%

Core Plus Intermediate Duration

First \$100 million	0.325%
Next \$400 million	0.25%
Balance above \$500 million	0.15%
Minimum annual fee	\$200,000
Assumed Target Tracking Error	1.0% - 1.50%

Insurance General Fixed Income*

First \$200 million	0.20%
Next \$200 million	0.15%
Next \$600 million	0.12%
Next \$1 billion	0.10%
Balance above \$2 billion	0.08%
Minimum annual fee	\$300,000

* Intended for general fixed income assets of insurance companies that are invested in investment grade securities, with standard reporting, servicing and portfolio management requirements, including standard published benchmarks. For a mandate with multiple managed portfolios there is a \$10,000 per annum per portfolio charge in addition to the fees quoted above. This fee covers the additional administrative, operational and reporting costs associated with multiple portfolios. A supplemental fee quote for insurance investment accounting services or insurance strategy can also be provided upon request and will be customized based upon the specific requirements of each client.

Advisory Accounts for which Dwight provides Stable Value Strategy Oversight may also invest in one or more of the strategies listed above through Dwight-advised commingled investment funds or separate account bond portfolios. Fees for these strategies may be in addition to the standard fee schedule for Stable Value Strategy Oversight.

As noted above, in addition to separate account management, Dwight offers certain investment strategies through pooled investment vehicles for which GSTC serves as trustee/managing member and Dwight serves as an investment adviser. Standard fees for these vehicles are set forth below. Fees may be reduced or negotiated based on a number of factors including

whether the commingled fund investment is part of a stable value or other broader client strategy and the amount of portfolio assets managed for the commingled fund.

<u>Commingled Investment Vehicle Strategy</u>	<u>Annual Fee</u>
• 1-3 Year Government/Credit:	0.20%
• Dwight Term Funds:	0.20%
• Intermediate Core:	0.25%
• Intermediate Core Plus:	0.25%

Investment minimums for commingled funds are generally \$5 million but may be waived under certain circumstances.

OTHER FEES AND EXPENSES

In addition to the advisory fees described above, clients will be subject to other fees and expenses in connection with Dwight's advisory services.

Transaction Charges

Dwight's advisory services focus on fixed income services, and as a result generally do not involve commission payments to brokers. To the extent applicable, Dwight's clients may pay brokerage commissions, mark-ups, mark-downs and other commission equivalents, and will incur spreads and/or transaction costs related to transactions effected for their Advisory Accounts to executing broker-dealers. As described in Item 12, Brokerage Practices, Dwight will effect these transactions subject to its obligation to seek best execution. The different types of transaction charges include:

- **Commissions:** the amount charged by a broker for purchasing or selling securities or other investments as an agent for the client, which is disclosed on client's trade confirmations or otherwise.
- **Commission equivalents:** an amount charged by a dealer for purchasing or selling securities or other investments in certain riskless principal transactions. Riskless principal transactions refer to transactions in which a dealer, after having received an order from a client to buy a particular security, purchases such security from another person to offset a contemporaneous sale to the client or, after having received an order from a client to sell a particular security, sells such security to another person to offset a contemporaneous purchase from the client.
- **Mark-ups:** the price charged to a client, less the prevailing market price, which is included in the price of the security.
- **Mark-downs:** the prevailing market price, less the amount a dealer pays to purchase the security from the client, which is included in the price of the security.

- **Spreads:** the difference between the current purchase or bid price (that is, the price someone is willing to pay) and the current ask or offer price (that is, the price at which someone is willing to sell), which is reflected in the price of the security. The difference or spread narrows or widens in response to the supply and demand levels of the security.

Additional information about transaction charges is available in Item 12, Brokerage Practices. See also Item 11, Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

Custody and Other Fees

Custody fees and all other fees charged by service providers engaged by clients to provide services relating to Advisory Accounts are levied by the custodian or other service provider for the Advisory Account and are not included in the advisory fees payable to Dwight. In addition, to the extent Goldman Sachs provides other services to Advisory Accounts not included in the advisory fee, Goldman Sachs will be entitled to retain all such fees and other amounts and no fees or other compensation will be reduced thereby.

Advisory Accounts with stable value objectives incur fees charged by providers of Stable Value Contracts, which can include fees for advisory services.

PREPAID FEES

Dwight generally does not charge clients fees in advance.

COMPENSATION FOR THE SALE OF SECURITIES

Generally, except as described below, Dwight Personnel do not receive transaction-based compensation for the sale of securities or other investment products based upon a predetermined formula. Compensation of Dwight and GSAMLP Personnel consists of a base salary and discretionary variable compensation. While the base salary is fixed from year to year, year-end discretionary variable compensation is based on a variety of factors, including, but not limited to: an individual's contribution to net revenues for the past year which in part are derived from advisory fees, and for certain Advisory Accounts, performance-based fees; individual performance; contributions to overall performance; the performance of Dwight, GSAMLP and Goldman Sachs; and depending on the individual's role, delivery of investment performance. Certain Dwight and GSAMLP Personnel involved in the marketing, promotion and/or sale of investment products may be eligible to receive transaction-based compensation based upon a predetermined formula that is in part related to the sale of such products. Certain of Dwight's affiliates and their personnel may receive compensation based on the sale of securities or other investment products including interests in Accounts (as defined below), including Advisory Accounts. See Item 11, Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

Item 6. Performance-Based Fees and Side-By-Side Management

Dwight does not currently manage Advisory Accounts with performance-based fees or share in the capital gain or capital appreciation of any client's assets. However, GSAMLP may manage accounts that pay performance-based fees. A performance-based fee may include carried interest, override, incentive allocation and other similar forms of performance-based compensation.

Accounts that pay performance-based fees reward GSAMLP based on the performance in those accounts and GSAMLP employees might manage Advisory Accounts that do not pay performance-based fees for Dwight and accounts for GSAMLP that do pay performance-based fees. The simultaneous management of GSAMLP accounts that pay performance-based fees and Advisory Accounts that only pay an asset-based fee may create a conflict of interest as the portfolio manager may have an incentive to favor GSAMLP accounts with the potential to receive greater fees. For instance, a portfolio manager may be faced with a conflict of interest when allocating scarce investment opportunities, given the possibly greater fees from GSAMLP accounts that pay performance-based fees as opposed to Advisory Accounts that pay no performance-based fees. To address these types of conflicts, Dwight has adopted policies and procedures under which allocation decisions may not be influenced by fee arrangements and investment opportunities will be allocated in a manner that Dwight believes is consistent with its obligations as an investment adviser. Dwight's policies and procedures relating to allocation of investment opportunities are described further below.

In addition, Dwight's actions for one Advisory Account may affect other Advisory Accounts. For additional information about these situations, please see Item II, Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

SIDE-BY-SIDE MANAGEMENT OF ADVISORY ACCOUNTS; ALLOCATION OF OPPORTUNITIES

Dwight's actions for one Advisory Account may affect other Advisory Accounts. Dwight may manage or advise multiple Advisory Accounts (including Advisory Accounts in which Goldman Sachs and personnel of Goldman Sachs ("Personnel") have an interest) that have investment objectives that are similar and that may seek to make investments or sell investments in the same securities or other instruments, sectors or strategies. This may create potential conflicts, particularly in circumstances where the availability or liquidity of investment opportunities is limited. Areas in which such limited opportunities may exist include, without limitation, in local and emerging markets, high yield securities, fixed income securities, regulated industries, primary and secondary interests in alternative investment funds and new issues.

To address these potential conflicts, Dwight has developed allocation policies and procedures that provide that personnel making portfolio decisions for Advisory Accounts will make purchase and sale decisions and allocate investment opportunities among Advisory Accounts

consistent with Dwight's fiduciary obligations. These policies and procedures may result in the pro rata allocation (on a basis determined by Dwight) of limited opportunities across eligible Advisory Accounts managed by a particular portfolio management team, but in many other cases the allocations reflect numerous other factors including those described below. Advisory Accounts managed by different portfolio management teams may be viewed separately for allocation purposes. Allocation-related decisions for Advisory Accounts may be made by reference to one or more factors and suitability considerations, including, without limitation:

- Account investment horizons and investment objectives;
- Different desired levels of investment for different strategies, including sector oriented, concentrated new opportunities or other strategies;
- Client-specific investment guidelines and restrictions, including, without limitation, the ability to hedge;
- The expected future capacity of applicable accounts;
- Limits on Dwight's brokerage discretion, including client directed brokerage arrangements;
- Tax sensitivity of accounts;
- Suitability requirements and the nature of the investment opportunity;
- Cash and liquidity considerations, including, without limitation, availability of cash for investment;
- Relative sizes and expected future sizes of applicable accounts;
- Availability of other appropriate investment opportunities;
- Legal and regulatory restrictions affecting certain accounts or affecting holdings across accounts, which may result in adjusting existing positions across accounts and consequently open up capacity for new accounts or account cashflows;
- Minimum denomination, minimum increments, de minimis threshold and round lot considerations; and
- Current investments held by Advisory Accounts similar to the applicable investment opportunity.

Suitability considerations may include:

- Relative attractiveness of an investment to different Advisory Accounts;
- Concentration of industry sector, sub-strategy, or positions in an account;
- Appropriateness of a security for the benchmark and benchmark sensitivity of an account;
- An account's risk tolerance, risk parameters and strategy allocations;
- Use of the opportunity as a replacement for an opportunity that Dwight believes to be attractive for an Advisory Account but is otherwise unavailable to the Advisory Account; and/or
- Considerations relating to hedging a position in a pair trade.

Non-proportional allocations may occur across Advisory Accounts, including in fixed income securities due to the availability of multiple appropriate or substantially similar investments in fixed income strategies, as well as due to differences in benchmark factors, hedging strategies, or other reasons. In addition, the fact that certain Personnel are dedicated to one or more Advisory Accounts or clients may be a factor in determining the allocation of opportunities sourced by such personnel. Reputational matters may also be considered.

Dwight, GSAMLP and their affiliates may, from time to time, develop and implement new trading strategies or seek to participate in new investment opportunities and trading strategies. These strategies and opportunities may not be employed in all Advisory Accounts or employed pro rata among Advisory Accounts where they are employed, even if the strategy or opportunity is consistent with the objectives of such accounts. In addition to the factors described above, Dwight may make decisions based on other factors such as strategic fit and other portfolio management considerations, including an Advisory Account's capacity for such strategy or opportunity, the liquidity of the strategy and its underlying instruments, the Advisory Account's liquidity, the business risk of the strategy relative to an Advisory Account's overall portfolio make-up, and the lack of efficacy of, or return expectations from, the strategy for the Advisory Account. For example, such a determination may, but will not necessarily, include consideration of the expectation that a particular strategy will not have a meaningful impact on an Advisory Account given the overall size of the account, the limited availability of opportunities in the strategy and/or the availability of other strategies for the account. During periods of unusual market conditions, Dwight may deviate from its normal trade allocation practices. As a result of the various considerations above, there will be cases where certain Advisory Accounts receive an allocation of an investment opportunity when other accounts do not.

The application of these considerations may cause differences in the performance of different Advisory Accounts that have similar strategies. In addition, in some cases Dwight may make investment recommendations to Advisory Accounts where the Advisory Accounts make the investment independently of Dwight. In circumstances in which there is limited availability of an investment opportunity, if such Advisory Accounts invest in the investment opportunities prior to other Advisory Accounts, the availability of the investment opportunity for other Advisory Accounts will be reduced irrespective of Dwight's policies regarding allocation of investments.

DISCRETIONARY AND NON-DISCRETIONARY ACCOUNTS

Dwight may provide non-discretionary investment advisory services where Dwight advises Advisory Accounts on purchasing, selling, holding, valuing, or exercising rights with respect to particular investments, but does not have discretion to execute purchases or sales on behalf of the Advisory Accounts without the specific instruction of the client. Dwight may advise with respect to the same or similar securities in discretionary and non-discretionary Advisory Accounts. There may be timing differences related to the transmission of advice to non-

discretionary Advisory Account clients for consideration and a determination of whether to act on the advice. As a result, Dwight may execute trades in investments for discretionary Advisory Accounts in advance of Dwight communicating with non-discretionary account clients about those investments. As a result, particularly with large orders or where the investments are thinly traded, non-discretionary Advisory Accounts may receive prices that are less favorable than prices obtained for discretionary Advisory Accounts.

In other cases, Dwight may decide to separate advice in discretionary and non-discretionary accounts. For example, in connection with non-discretionary Advisory Accounts, Dwight may have information with respect to pending purchases or sales, or relating to a non-discretionary client's business and financial position. In the event that Dwight considers such information to be of a sensitive nature, Dwight may, on a case-by-case basis, elect to implement internal policies and procedures (including where appropriate, the use of informational barriers) to manage the flow of such information within Dwight, which may prevent the transmission or affect the timing of transmission of certain advice to some accounts.

Item 7. Types of Clients

Types of Clients

Dwight's business is centered on providing fixed income management services to institutional clients, including retirement plans, corporations, public funds, insurance companies, financial institutions, endowments, foundations and Taft-Hartley plans. Dwight provides these services to separate account clients, as well as commingled investment funds. Investment minimums are typically determined by the type of strategy a client retains Dwight to manage. The investment minimums for specific separate account and commingled investment fund strategies are included in the "Fees and Compensation" section above. Dwight reserves the right to waive investment minimums.

Account Requirements

To open or maintain an Advisory Account with Dwight, clients are required to sign an investment advisory agreement that, among other things, details the nature of the investment advisory authority given to Dwight. In the case of private investment funds, U.S. investors must generally be "accredited investors" as defined in Rule 501(a) of Regulation D under the U.S. Securities Act of 1933, as amended, and "qualified purchasers" as defined in Section 2(a)(51)(A) of the Investment Advisers Act of 1940, as amended (the "Advisers Act"). The minimum amount investors must invest in such Dwight-managed fund is set forth in each such fund's offering document and varies from fund to fund depending on the particular investment product. Such minimum amount is typically \$5,000,000 but may be waived in the managing member's discretion.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

Dwight has established a team approach for managing Advisory Accounts, with teams and individuals within teams dedicated to oversee the various types of Advisory Accounts serviced, including (1) stable value management, (2) global fixed income and liquidity management, and (3) insurance company asset management. The overall approach for structuring portfolios is described below, as well as the specific process and strategies for the buy/sell decisions made for each underlying strategy.

Advisory Account clients should understand that all investment strategies and the investments made pursuant to such strategies involve risk of loss, including the potential loss of the entire investment in the Advisory Accounts, which clients should be prepared to bear. The investment performance and the success of any investment strategy or particular investment can never be predicted or guaranteed, and the value of a client's investments will fluctuate due to market conditions and other factors. The investment decisions made and the actions taken for Advisory Accounts will be subject to various market, liquidity, currency, economic, political and other risks, and investments may lose value.

Stable Value Management

Stable value strategies consist of a combination of fixed income portfolio management and Stable Value Contracts with an overall objective of providing capital preservation and current income. Dwight's approach to managing stable value portfolios begins with the firm's Stable Value Team, which oversees each Advisory Account's daily cash flow, makes allocations to various underlying strategies and Stable Value Contracts, monitors and maintains portfolio duration, and coordinates the resources of Dwight's investment, legal, compliance, and third-party manager teams. These activities are supported by an ongoing review of client portfolio structure, cash flow history, guidelines and objectives. Dwight may provide a full range of services for particular stable value clients, or services may be focused on a subset of stable value management such as advising on overall Stable Value Contract structure or third-party manager asset allocation.

Entering into Stable Value Contracts is an important aspect of stable value management. Dwight identifies and selects, or assists in the selection of, the financial organizations issuing Stable Value Contracts and negotiates contracts on behalf of Advisory Accounts. In addition, Dwight monitors and reviews the financial and business condition of each provider of a Stable Value Contract held by Advisory Accounts. Dwight's Stable Value Contract services may include fundamental credit research to develop the firm's approved issuer list, contract provider selection and contract negotiation.

Global Fixed Income and Liquidity Management

The Global Fixed Income and Liquidity Management strategies use specialist teams for generating strategies within their areas of expertise. The investment process is generally based on four basic elements:

- (i) Developing a long-term risk budget. The fixed income team establishes a “risk budget” or range that a particular Advisory Account may deviate from its respective benchmarks with respect to sector allocations, country allocations, securities selection and, to a lesser extent, duration. Following careful analysis of risk and return objectives, the team allocates the overall risk budget to each component strategy to optimize potential return;
- (ii) Generating investment views and strategies. The strategy teams generate investment ideas within their areas of specialization. Generally, there are top-down strategy teams responsible for cross-sector, duration, country and currency decisions and bottom-up strategy teams that formulate sub-sector allocation and security selection decisions;
- (iii) Portfolio construction. The strategy teams collaborate to build a diversified portfolio of individual securities consistent with each client’s overall risk and return objectives; and
- (iv) Dynamic adjustments based on market conditions. As market conditions change, the volatility and attractiveness of sectors and strategies can change as well. To optimize an Advisory Account’s risk/return potential within its long-term risk budget, the portfolio managers dynamically adjust the mix of top-down and bottom-up strategies. At the same time, the strategy teams adjust their strategies and security selections in an effort to optimize performance within their specialty areas.

Liquidity Management strategies involve a combination of active duration management, term structure, and sector and security selection decisions. Duration and term structure decisions reflect Dwight’s view on the timing and direction of monetary policy, as well as an Advisory Account’s immediate and near-term cash requirements. Sector and individual security selection decisions also depend on Advisory Account guidelines, as well as on fundamental and quantitative sector research that seeks to optimize the risk/return profile of the portfolio. Security selection is generally restricted to issuers that meet certain credit standards.

Insurance Asset Management

Insurance asset management entails a broad range of investment solutions to life, health, property and casualty, and reinsurance clients. The Insurance Asset Management team develops investment solutions within customized capital and risk management frameworks, including assisting clients in assessing financial risk. The Insurance Asset Management business also incorporates specialized insurance strategy, risk management, reporting and accounting services, unique to the needs of insurers. These services include, among other things,

developing investment and hedging strategies and formulating balance sheet strategies in connection with the management of client accounts. Insurance asset management services for Dwight clients are provided through GSAML P's Insurance Asset Management team.

Selection of Third-Party Managers

For certain client Stable Value mandates, Dwight retains third-party managers for all or part of the mandate or assists the client with such retention or oversight of the manager and/or provides reporting to the client with respect to the manager. Dwight's retention of external managers may be subject, at a minimum, to client review in advance, or, other cases, to client approval. In certain cases, clients may retain the authority to hire and terminate third-party managers that provide advisory services for Stable Value accounts. When selecting and reviewing third-party managers, Dwight utilizes the services of GSAML P's Global Manager Strategies ("GMS") team, which focuses primarily on accounts where GSAML P acts as "manager of managers" in the fixed income and long-only equity asset classes. GMS's business includes the selection of one or more third-party managers to manage client assets under the oversight of GMS in respect of separate accounts. GMS may also select third-party managers to sub-advise pooled investment vehicles managed by Dwight and/or its affiliates ("Manager of Manager Funds"). The GMS manager selection services provide access to U.S. and non-U.S. equity asset classes, including region specific (broad international, global, emerging markets and equity income), style-focused (growth, value and blend investment) and market cap-based (all cap, large cap, and small) strategies.

Under GMS' process, third-party managers are selected through a multi-step process which includes a due diligence review designed to assess the quality of the candidates and the likelihood of producing appropriate investment results over the long-term. An investment committee determines which third-party managers are available for investment by Advisory Accounts. Third-party managers generally receive allocations of Advisory Account assets for management as determined by Dwight in consultation with the client. The third-party managers are responsible for the day-to-day investment decisions, although Dwight may develop benchmarks and written investment guidelines for the management of Advisory Account assets by third-party managers. Dwight's responsibilities with respect to the investments are generally limited to the selection, appointment, monitoring and removal of third-party managers, and Dwight does not have the duty of determining or approving specific investments made by the third-party managers other than setting the general investment objectives and guidelines and, where applicable, providing guidelines under Stable Value Contracts. The third-party managers are responsible for compliance with all applicable laws, rules and regulations pertaining to their investment activities, including guidelines that are established under Stable Value Contracts. To the extent Dwight has discretion, third-party managers to which an Advisory Account allocates assets will generally be determined by Dwight based on factors deemed relevant by Dwight. Dwight may, from time to time, vary or change materially the actual allocation of assets made by an Advisory Account, as it deems appropriate, including, without limitation, by way of allocation of assets to any new third-party manager,

complete or partial withdrawal of an allocation to any existing third-party manager, a reallocation of assets among existing third-party managers, or any combination of the foregoing without prior notice to or the consent of investors. The identity and number of the third-party managers for an Advisory Account may change materially over time. Dwight may allocate assets to one or more third-party managers, directly or indirectly, through, among other means, one or more discretionary managed accounts or investment funds established by any third-party manager or their affiliates.

MATERIAL RISKS FOR SIGNIFICANT INVESTMENT STRATEGIES AND PARTICULAR TYPES OF SECURITIES

Following is a summary of the material risks for each of Dwight's significant investment strategies, security types and the investment techniques employed by Dwight investment personnel and certain other risks applicable to Advisory Accounts.

The information contained in this brochure cannot disclose every potential risk associated with an investment strategy, or all of the risks applicable to a particular Advisory Account. Rather, it is a general description of the nature and risks of the strategies and securities and other instruments that clients may include in their investment guidelines for their Advisory Account. Clients should not include these strategies and financial instruments in their guidelines for their Advisory Account unless they understand the risks of the strategies and financial instruments that they permit Dwight to purchase on their behalf. Clients should also be satisfied that such financial instruments are suitable for their Advisory Account in light of their circumstances, their investment objectives and their financial situation. In addition, clients of Dwight's pooled investment vehicles should carefully review the offering documents and constituent documents for additional information about risks associated with those products.

General Portfolio Risks

Dwight's strategies may be subject to the following general portfolio risks:

- *Concentration Risk.* The risk that if an Advisory Account concentrates its investments within the same country, state, geographic region, industry or economic sector, an adverse economic, business or political development may affect the value of the Advisory Account's investments more than if its investments were not so concentrated. Also, concentration of the investments of an Advisory Account in a particular country or region will subject an Advisory Account, to a greater extent than if investments were less concentrated, to the risks of adverse securities markets, exchange rates and social, political, regulatory or economic events which may occur in that country or region. Finally, to the extent an Advisory Account invests a larger percentage of its assets in a relatively small number of investments, it may be subject to greater risks than a more diversified account. That is, a change in the value of any single investment held by the Advisory Account may affect the overall value of the account more than it would affect an account

that holds more investments. In particular, the Advisory Account may be more susceptible to adverse developments affecting any single investment in the Advisory Account and may be susceptible to greater losses because of these developments.

- *Counterparty Risk.* An Advisory Account may be exposed to the credit risk of counterparties with which, or the brokers, dealers, custodians and exchanges through which, it deals in connection with the investment of its assets, whether engaged in exchange-traded or off-exchange transactions.
- *Frequent Trading and Portfolio Turnover Rate Risk.* The turnover rate within the Advisory Account may be significant. Frequent trades typically result in higher transactions costs, including potentially substantial fees and other transaction costs. In addition, frequent trading is likely to result in short-term capital gains tax treatment. As a result, high turnover and frequent trading in an Advisory Account could have an adverse effect on the performance of the Advisory Account.
- *Hedging Risk.* Hedging techniques could involve a variety of derivatives, including futures contracts, exchange-listed and over-the-counter put and call options on securities, financial indices and various interest rate transactions (collectively, "Hedging Instruments"). To the extent Dwight utilizes hedging techniques in respect of an Advisory Account, hedging techniques involve risks different than those of underlying investments. In particular, the variable degree of correlation between price movements of Hedging Instruments and price movements in the position being hedged creates the possibility that losses on the hedge may be greater than gains in the value of the positions of an Advisory Account. In addition, certain Hedging Instruments and markets may not be liquid in all circumstances. As a result, in volatile markets, an Advisory Account may not be able to close out a transaction in certain of these instruments without incurring losses substantially greater than the initial deposit. Although the contemplated use of these instruments is intended to minimize the risk of loss due to a decline in the value of the hedged position, at the same time they tend to limit any potential gain which might result from an increase in the value of such position. The ability of an Advisory Account to hedge successfully will depend on the ability of Dwight to predict pertinent market movements, which cannot be assured. Hedging techniques involve costs, which could be significant, whether or not the hedging strategy is successful.
- *Investment Style Risk.* Different investment styles tend to shift in and out of favor depending upon market and economic conditions and investor sentiment. Advisory Accounts may outperform or underperform other accounts that invest in similar asset classes but employ different investment styles. Dwight may modify or adjust its investment strategies from time to time.
- *Leverage Risk.* If an Advisory Account utilizes leverage, the Advisory Account will be subject to heightened risk. Leverage may take the form of borrowing funds, trading on margin, derivative instruments that are inherently leveraged, including among others

forward contracts, futures contracts, options, swaps (e.g., total return financing swaps and interest rate swaps), repurchase agreements and reverse repurchase agreements, or other forms of direct and indirect borrowings, and other instruments and transactions that are inherently leveraged. Any such leverage, including leverage that takes the form of instruments and transactions that are inherently leveraged, may result in the Advisory Account's market value exposure being in excess of the net asset value of the Advisory Account. In addition, lenders may impose restrictions or requirements on the operations of an Advisory Account. An Advisory Account may not be able to liquidate assets quickly enough to repay its borrowings, which could increase the losses incurred by the Advisory Account. Lenders may also have the right under certain circumstances to cause the sale of assets held in an Advisory Account at times that may be inopportune from a pricing standpoint. Further, in the case of an Advisory Account that invests in investment funds utilizing leverage, the rights and claims of any lenders to receive payments of interest or repayments of principal from the investment fund will generally be senior to the rights of the Advisory Account to withdraw its investment from the investment fund.

- *Liquidity Risk.* The risk that an Advisory Account may make investments that may be illiquid or that are not publicly traded and/or for which no market is currently available, that are subject to legal, regulatory or contractual restrictions on their sale or transfer, or that may become less liquid in response to market developments or adverse investor perceptions. Lack of liquidity could prevent an Advisory Account from liquidating unfavorable positions promptly and could subject the Advisory Account to substantial losses.
- *Management Risk.* The risk that a strategy used by Dwight may fail to produce the intended results for an Advisory Account, including the risk that the entire amount invested may be lost. There is no guarantee that the investment objective of the Advisory Account will actually be achieved and investment results of the Advisory Account may vary substantially over time.
- *Market Risk.* The value of the instruments in which an Advisory Account invests may go up or down in response to the prospects of individual companies, particular industry sectors or governments and/or general economic conditions.
- *Model Risk.* The management of Advisory Accounts by Dwight may include the use of various proprietary quantitative or investment models. There may be deficiencies in the design or operation of these models, including as a result of shortcomings or failures of processes, people or systems. Investments selected using models may perform differently than expected as a result of the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models (including, for example, data problems and/or software issues). There is no guarantee that the use of these models will result in effective investment decisions for Advisory Accounts.

- *Non-U.S. Securities Risk.* Non-U.S. securities may be subject to risk of loss because of more or less government regulation, less public information and less economic, political and social stability in the countries of domicile of the issuers of the securities and/or the jurisdictions in which these securities are traded. Loss may also result from the imposition of exchange controls, confiscations and other government restrictions, or from problems in registration, settlement or custody. In addition, an Advisory Account will be subject to the risk that an issuer of the non-U.S. sovereign debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay the principal or interest when due. These risks might be heightened if the Advisory Account invests in emerging markets or growth markets.
- *Risks of Derivative Investments.* Advisory Accounts may invest in derivative instruments, including, without limitation, options, futures, options on futures, forwards, swaps, interest rate caps and floors and collars. Losses in an Advisory Account from investments in derivative instruments can result from a lack of correlation between changes in the value of derivative instruments and the portfolio assets (if any) being hedged, the potential illiquidity of the markets for derivative instruments, the failure of the counterparty to perform its contractual obligations, or the risks arising from margin requirements and related leverage factors associated with such transactions. Losses may also arise if an Advisory Account receives cash collateral under the transactions and some or all of that collateral is invested in the market. The use of these management techniques also involves the risk of loss if Dwight is incorrect in its expectation of the timing or level of fluctuations in securities prices or interest rates.
- *Restricted Investments Risks.* Restricted securities are securities that may not be sold to the public without an effective registration statement under the U.S. Securities Act of 1933, as amended, or, if they are unregistered, may be sold only in a privately negotiated transaction or pursuant to an exemption from registration. These restrictions could prevent an Advisory Account from promptly liquidating unfavorable positions and subject such Advisory Account to substantial losses.
- *Risk Management Risk.* Dwight may seek to reduce, increase or otherwise manage the volatility of an Advisory Account's overall portfolio or the Advisory Account's risk allocation to particular investments or sectors through various strategies, including by liquidating interests in certain investments and investing any proceeds in different investments or similar investments with a different volatility profile. There can be no assurance that Dwight's use of such strategies will be adequate, or that they will be adequately utilized by Dwight. Additionally, any strategies may be limited by, among other things, liquidity of the Advisory Account's investments and the availability of investment opportunities that Dwight believes are appropriate.
- *Timing of Implementation Risk.* Dwight gives no warranty as to the timing of the investment of Advisory Account assets generally and/or any changes to the Advisory

Account over time and from time to time (including in respect of asset allocation and investments), the performance or profitability of the Advisory Account or any part thereof, nor any guarantee that any investment objectives, expectations or targets with respect to the Advisory Account will be achieved, including, without limitation, any risk control, risk management or return objectives, expectations or targets.

- *Valuation Risk.* The net asset value of an Advisory Account as of a particular date may be materially greater than or less than the net asset value that would be determined if such Advisory Account's investments were to be liquidated as of such date. An Advisory Account may invest in assets that lack a readily ascertainable market value, and an Advisory Account's net asset value will be affected by the valuations of any such assets (including, without limitation, in connection with calculation of any fees). The value of assets that lack a readily ascertainable market value may be subject to later adjustment based on valuation information available to an Advisory Account at that time. Any adjustment to the value of such assets may result in an adjustment to the net asset value of an Advisory Account.
- *Volatility Risk.* The prices of an Advisory Account's investments can be highly volatile. Price movements of assets are influenced by, among other things, interest rates, changing supply and demand relationships, programs and policies of governments, and national and international political and economic events and policies. Advisory Accounts may be adversely affected by deteriorations in the financial markets and economic conditions throughout the world, some of which may magnify the risks described herein and have other adverse effects. Deteriorations in economic and financial market conditions, and uncertainty regarding economic markets generally, could result in declines in the market values of actual or potential investments. Such declines could lead to losses and diminished investment opportunities for Advisory Accounts, could prevent Advisory Accounts from successfully meeting their investment objectives or could require Advisory Accounts to dispose of investments at a loss while such unfavorable market conditions prevail. While such market conditions persist, Advisory Accounts will also be subject to heightened risks associated with the potential failure of brokers, counterparties and exchanges, as well as increased systemic risks associated with the potential failure of one or more systemically important institutions.

Other General Risks

- *Conflicts of Interest.* 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. As such, Goldman Sachs provides a wide range of financial services to a substantial and diversified client base. Goldman Sachs advises clients in all markets and transactions and purchases, sells, holds and recommends a broad array of investments. Goldman Sachs has direct and indirect interests in the global fixed income, currency, commodity, equities, bank loan and other markets and the securities and issuers

in which Advisory Accounts may directly and indirectly invest. As a result, Goldman Sachs' activities and dealings may affect a particular Advisory Account in ways that may disadvantage or restrict the Advisory Account and/or benefit Goldman Sachs or other Accounts (including Advisory Accounts). A description of certain of such potential conflicts of interest is set forth under Item 11, Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

- *Dependence on Key Personnel.* Advisory Accounts may rely on certain key personnel of Goldman Sachs. As a result of regulation or for other reasons, the amount of compensation that may be payable to Goldman Sachs executives or other employees may be reduced, or employees who rely on work visas or other permits may have such visas or permits revoked or not renewed. As a result, certain key personnel may leave Goldman Sachs. The departure of any of such key personnel or their inability to fulfill certain duties may adversely affect the ability of Dwight to effectively implement the investment programs of the Advisory Accounts.
- *Legal, Tax and Regulatory Risks.* Dwight and certain of its Advisory Accounts are subject to legal, tax and regulatory oversight, including by the SEC. For example, as a wholly-owned subsidiary of The Goldman Sachs Group, Inc., a bank holding company, certain of Dwight's activities and transactions in respect of Advisory Accounts may be restricted. Similarly, there have been recent legislative, tax and regulatory changes and proposed changes that may apply to the activities of Dwight and third-party managers to which Dwight allocates client assets that may require material adjustments to the business and operations of, or have other material adverse effects on, Advisory Accounts. Recent changes, which continue to evolve, include the enactment of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as amended, which includes the so-called "Volcker Rule," the amendment of the Advisers Act and changes to the way derivatives and commodities are regulated. Dwight may take certain actions to limit its authority in respect of Advisory Accounts in order to reduce or eliminate the impact or applicability of any regulatory restrictions on Dwight, Advisory Accounts or other Accounts, including, without limitation, the BHCA and the Volcker Rule. There may also be unanticipated and/or adverse legal, tax and regulatory changes from time to time, including requirements to provide additional information pertaining to an Advisory Account to the Internal Revenue Service or other taxing authorities. Regulatory changes and restrictions imposed by regulators, self-regulatory organizations and exchanges may vary from country to country and may affect the value of Advisory Accounts' investments and their ability to pursue their investment strategies. Any rules, regulations and other changes, and any uncertainty in respect of their implementation, may result in increased costs, reduced profit margins and reduced investment and trading opportunities, all of which may negatively impact the performance of Advisory Accounts.
- *Limited Information Risk.* Dwight will consider allocations for Advisory Accounts utilizing information made available to it; however, as a result of informational barriers constructed

between different divisions and areas of Goldman Sachs or other policies and procedures of Goldman Sachs, Dwight may not generally have access to information and personnel in other areas of Goldman Sachs. Therefore, Dwight will generally not be able to review potential investments for Advisory Accounts with the benefit of information held by other divisions of Goldman Sachs. Information barriers may also exist between different businesses within Dwight. Goldman Sachs has no obligation to seek information or to make available to or share with Dwight any information, investment strategies, opportunities or ideas known to Personnel or developed or used in connection with other clients or activities.

- *Losses in Affiliated Investment Funds Borne Solely by Investors.* All losses of an Advisory Account investing in an affiliated investment fund managed by Dwight shall be borne solely by such Advisory Account and not by Goldman Sachs or its affiliates or subsidiaries. Goldman Sachs' and its affiliates' or subsidiaries' losses in an affiliated investment fund will be limited to losses attributable to the ownership interests in such investment fund held by Goldman Sachs and its affiliates or subsidiaries in their capacity as investors in such investment fund.
- *Limited Regulatory Oversight.* Third- party managers to which Advisory Accounts allocate assets may be subject to limited or no regulatory requirements or governmental oversight. Therefore, an Advisory Account may not have the benefit of certain protections that would otherwise be afforded to investors had the third-party managers been more heavily regulated.
- *Master-Feeder Structure.* Advisory Accounts may be organized as part of a "master-feeder" structure. Investors may be materially affected by the actions of another entity investing in the master entity, including redemptions of interests by such entities.
- *Multiple Levels of Fees and Expenses.* In circumstances in which Advisory Accounts invest in third-party managers or affiliated or unaffiliated investment funds, the Advisory Accounts will bear any fees or other compensation due to Dwight and expenses at the Advisory Account level, in addition to any fees or compensation and expenses which may be due at the third-party manager or investment fund level.
- *Non-Recourse Risk.* The governing agreements of investment funds in which Advisory Accounts invest limit the circumstances in which a trustee and/or manager can be held liable to investors. As a result, investors may have a more limited right of action in certain cases than they would in the absence of such provisions.
- *Operational Risk.* The risk that an Advisory Account may suffer a loss arising from shortcomings or failures in internal processes, people or systems, or from external events. Operational risk can arise from many factors ranging from routine processing errors to potentially costly incidents related to, for example, major systems failures.

- *Partial or Total Loss of Capital.* Certain investments made by Dwight for Advisory Accounts are intended for long-term investors who can accept the risks associated with investing in illiquid securities, and the possibility of partial or total loss of capital exists. There is no assurance that Advisory Accounts will achieve their investment or performance objectives, including without limitation, the location of suitable investment opportunities and the achievement of targeted rates of return, or that Advisory Accounts will be able to fully invest their capital.
- *Speculative Position Limits Risk.* The Commodity Futures Trading Commission ("CFTC") and some exchanges have rules limiting the maximum net long or net short positions which any person or group may own, hold or control in any given futures contract or option on such futures contract. Any such limits may prevent an Advisory Account from acquiring positions that might otherwise have been desirable or profitable. In addition, in applying such limits, the CFTC and some exchanges will require aggregation of an Advisory Account's positions in futures with positions held by other Accounts. In addition, it is possible that, in applying such limits, the CFTC and some exchanges will require aggregation of the Advisory Account's positions in futures with positions held or controlled by other Accounts. Under such circumstances, Goldman Sachs may utilize available position limits for Accounts other than the Advisory Account, and, as a result, the Advisory Account could be required to limit its use of futures or liquidate its positions.
- *Volcker Rule Risks.* The Volcker Rule will become effective on July 21, 2012, and banking entities (including Goldman Sachs and its subsidiaries) will have a two year transition period following the effective date to bring their activities into compliance with the Volcker Rule. Among other things, the Volcker Rule generally prohibits pooled investment vehicles from engaging in transactions that would cause a banking entity or its affiliates to have credit exposure to a pooled investment vehicle managed by its affiliates, that would involve or result in a material conflict of interest between the banking entity and its clients, customers or counterparties, or that would result, directly or indirectly, in a material exposure by the banking entity to high-risk assets or high-risk trading strategies. These restrictions could materially adversely affect Advisory Accounts that are, or are invested in, pooled investment vehicles, including because the restrictions could prevent a pooled investment vehicle from obtaining commercial benefits from Goldman Sachs.

Risk That Apply Primarily to Fixed Income Securities

- *Credit/Default Risk.* An issuer or guarantor of fixed income securities held by an Advisory Account (which may have low credit ratings) may default on its obligation to pay interest and repay principal, and a counterparty to a derivatives investment may fail to perform its contractual obligations. Additionally, the credit quality of securities may deteriorate rapidly, which may impair an Advisory Account's liquidity and cause significant value deterioration. Advisory Accounts may invest in noninvestment grade fixed income securities (commonly known as "junk bonds") and leveraged loans that are considered speculative. Non-investment grade investments, leveraged loans and unrated securities of

comparable credit quality are subject to the increased risk of an issuer's inability to meet principal and interest payment obligations. These securities and loans may be subject to greater price volatility due to such factors as specific issuer developments, interest rate sensitivity, negative perceptions of the junk bond and leverage loan markets generally and less secondary market liquidity. Advisory Accounts may purchase the securities of issuers that are in default. Advisory Accounts which have Stable Value as an objective are subject to the credit/default risk associated with issuers of Stable Value Contracts.

- *Interest Rate Risk.* When interest rates increase, fixed income securities held by an Advisory Account will generally decline in value. Long-term fixed income securities will normally have more price volatility because of this risk than short-term fixed income securities.
- *Commodity Exposure Risk.* Exposure to the commodities markets may subject an Advisory Account to greater volatility than investments in traditional securities.
- *Corporate Debt Securities Risks.* Corporate debt securities are subject to the risk of the issuer's inability to meet principal and interest payments on the obligation and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity. In addition, early repayments of an Advisory Account's investments may have a material adverse effect on such Advisory Account's investment objectives and the profits on invested capital.
- *Credit Ratings.* The Advisory Accounts may, but are not required to, use credit ratings to evaluate securities. Credit ratings do not evaluate the market value risk of lower-quality securities and, therefore, may not fully reflect the true risks of an investment, and they are used only as a preliminary indicator of investment quality. Investments in lower-quality and comparable unrated obligations will be more dependent on the credit analysis of Dwight than would be the case with investments in investment-grade debt obligations.
- *Fixed Income Securities Risk.* Investment in fixed income securities may offer opportunities for income and capital appreciation, and may also be used for temporary defensive purposes and to maintain liquidity. Fixed income securities are obligations of the issuer to make payments of principal and/or interest on future dates, and include, among other securities: bonds, notes, and debentures issued by corporations; debt securities issued or guaranteed by the U.S. government or one of its agencies or instrumentalities or by a non-U.S. government or one of its agencies or instrumentalities; municipal securities; and mortgage-backed and asset-backed securities. These securities may pay fixed, variable, or floating rates of interest, and may include zero coupon obligations. Fixed income securities are subject to the risk of the issuer's or a guarantor's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to factors such as interest rate sensitivity, market perception of the creditworthiness of the issuer, and general market liquidity (i.e., market risk).

- *Inflation Protected Securities (“IPS”) Risk.* To the extent an Advisory Account invests in IPS, the value of IPS generally fluctuates in response to changes in real interest rates, which are in turn tied to the relationship between nominal interest rates and the rate of inflation. If nominal interest rates increased at a faster rate than inflation, real interest rates might rise, leading to a decrease in the value of IPS. The market for IPS may be less developed or liquid, and more volatile, than certain other securities markets. In addition, the value of Treasury Inflation-Protected Securities (“TIPS”) generally fluctuates in response to inflationary concerns. As inflationary expectations increase, TIPS will become more attractive, because they protect future interest payments against inflation. Conversely, Advisory Accounts that invest in IPS will be subject to the risk that prices throughout the economy may decline over time, resulting in “deflation.” If this occurs, the principal and income of IPS held by an Advisory Account would likely decline in price, which could result in losses for the Advisory Account. Further, there can be no assurance the various consumer price indices used in connection with IPS will accurately measure the real rate of inflation in the prices of goods and services, which may affect the value of IPS.
- *Loan Risks.* The Advisory Accounts may directly or indirectly purchase loans as participations from certain financial institutions which will represent the right to receive a portion of the principal of, and all of the interest relating to such portion of, the applicable loan. An Advisory Account generally will have no right directly to enforce compliance by the borrower with the terms of the loan agreement, no rights of set-off against the borrower, and no right to object to certain changes to the loan agreement agreed to by the selling institution. In addition, an Advisory Account may be exposed to losses resulting from default and foreclosure. There is no assurance that the protection of an Advisory Account’s interests is adequate or that claims may not be asserted by others that might interfere with enforcement of an Advisory Account’s rights.
- *Mezzanine Debt Risk.* Mezzanine debt is typically junior to the obligations of a company to senior creditors, trade creditors and employees. The ability of an Advisory Account to influence a company’s affairs, especially during periods of financial distress or following an insolvency, will be substantially less than that of senior creditors.
- *Mortgage-Backed and/or Other Asset-Backed Risk.* Mortgage-related and other asset-backed securities are subject to certain additional risks, including “extension risk” (i.e., in periods of rising interest rates, issuers may pay principal later than expected) and “prepayment risk” (i.e., in periods of declining interest rates, issuers may pay principal more quickly than expected, causing an Advisory Account to reinvest proceeds at lower prevailing interest rates). Mortgage-backed securities offered by non-governmental issuers are subject to other risks as well, including failures of private insurers to meet their obligations and unexpectedly high rates of default on the mortgages backing the securities. Other asset-backed securities are subject to risks similar to those associated with mortgage-backed securities, as well as risks associated with the nature and servicing of the assets backing the securities.

- *Municipal Securities Risks.* Municipal securities risks include the ability of the issuer to repay the obligation, the relative lack of information about certain issuers of municipal securities, and the possibility of future legislative changes which could affect the market for and value of municipal securities. The risk that any proposed or actual changes in income tax rates or the tax exempt status of interest income from municipal securities can significantly affect the demand for, and supply, liquidity and marketability of, municipal securities. Such changes may affect an Advisory Account's net asset value and ability to acquire and dispose of municipal securities at desirable yield and price levels.
- *Non-Investment Grade Investment Risk.* An Advisory Account may invest in non-investment grade investments (commonly known as "junk bonds") that are considered speculative. Non-investment grade investments and unrated investments of comparable credit quality are subject to the increased risk of an issuer's inability to meet principal and interest payment obligations. These investments 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. Advisory Accounts may purchase investments of issuers that are in default.
- *Other Debt Instruments; CBOs and CLOs Risk.* The Advisory Accounts may directly or indirectly invest in other investment grade or other debt instruments of companies or other entities not affiliated with countries or governments, including but not limited to, senior and subordinated corporate debt; investment grade tranches of collateralized mortgage obligations; preferred stock; corporate securities; and bank debt. As with other investments made by an Advisory Account, there may not be a liquid market for these debt instruments, which may limit the Advisory Account's ability to sell these debt instruments or to obtain the desired price. Advisory Accounts may also invest in collateralized bond obligations ("CBOs") and collateralized loan obligations ("CLOs"), which may be fixed pools or may be "market value" or managed pools of collateral, including commercial loans, high yield and investment grade debt and derivative instruments relating to debt. Depending upon the tranche of a CBO or CLO in which an Advisory Account invests, the returns may be extremely sensitive to the rate of defaults in the collateral pool, and redemptions by more senior tranches could result in an elimination, deferral or reduction in the funds available to make interest or principal payments to the tranches held by Advisory Accounts. In addition, there can be no assurance that a liquid market will exist in any CBO or CLO when an Advisory Account seeks to sell its interest therein. Also, it is possible that an Advisory Account's investment in a CBO or CLO will be subject to certain contractual limitations on transfer. Further, a CBO or CLO may be difficult to value given current market conditions.
- *Purchases of Securities and Other Obligations of Financially Distressed Companies.* An Advisory Account may directly or indirectly purchase securities and other obligations of companies that are experiencing significant financial or business distress, including

companies involved in bankruptcy or other reorganization and liquidation proceedings. Although such purchases may result in significant returns, they involve a substantial degree of risk and may not show any return for a considerable period of time.

- *Second Lien Loans Risk.* Second lien loans generally are subject to similar risks as those associated with investments in senior loans. Because second lien loans are subordinated or unsecured and thus lower in priority of payment to senior loans, they are subject to the additional risk that the cash flow of the borrower, and property securing the loan or debt, if any, may be insufficient to meet scheduled payments after giving effect to the senior secured obligations of the borrower. This risk is generally higher for subordinated unsecured loans or debt, which are not backed by a security interest in any specific collateral. Second lien loans generally have greater price volatility than senior loans and may be less liquid. There is also a possibility that originators will not be able to sell participations in second lien loans, which would create greater credit risk exposure for the holders of such loans. Second lien loans share the same risks as other below investment grade securities.
- *Senior Loan Risk.* Senior loans, which hold the most senior position in the capital structure of a business entity, are typically secured with specific collateral and have a claim on the assets and/or stock of the borrower that is senior to that held by subordinated debt holders and stockholders of the borrower. Senior loans are usually rated below investment grade, and are subject to similar risks, such as credit risk, as below investment grade securities. However, senior loans are typically senior and secured in contrast to other below investment grade securities, which are often subordinated and unsecured. There is less readily available, reliable information about most senior loans than is the case for many other types of securities, and Dwight relies primarily on its own evaluation of a borrower's credit quality rather than on any available independent sources. The ability of an Advisory Account to realize full value in the event of the need to sell a senior loan may be impaired by the lack of an active trading market for certain senior loans or adverse market conditions limiting liquidity. To the extent that a secondary market does exist for certain senior loans, the market may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods. Although senior loans in which an Advisory Account will invest generally will be secured by specific collateral, there can be no assurance that liquidation of such collateral would satisfy the borrower's obligation in the event of non-payment of scheduled interest or principal or that such collateral could be readily liquidated. In the event of the bankruptcy of a borrower, an Advisory Account could experience delays or limitations with respect to its ability to realize the benefits of the collateral securing a senior loan. Moreover, any specific collateral used to secure a senior loan may decline in value or become illiquid, which would adversely affect the senior loan's value. Uncollateralized senior loans involve a greater risk of loss. Some senior loans are subject to the risk that a court, pursuant to fraudulent conveyance or other similar laws, could subordinate the senior loans to presently existing or future

indebtedness of the borrower or take other action detrimental to lenders, including an Advisory Account, such as invalidation of senior loans.

- *Sovereign Debt Risk.* Investment in sovereign debt obligations by an Advisory Account involves risks not present in debt obligations of corporate issuers. The issuer of the debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or interest when due in accordance with the terms of such debt, and an Advisory Account may have limited recourse to compel payment in the event of a default. Any failure to make payments in accordance with the terms of the debt could result in losses to an Advisory Account.
- *U.S. Government Securities Risk.* The U.S. government may not provide financial support to U.S. government agencies, instrumentalities or sponsored enterprises if it is not obligated to do so by law. U.S. government securities issued by the Federal National Mortgage Association ("Fannie Mae"), Federal Home Loan Mortgage Corporation ("Freddie Mac") and the Federal Home Loan Banks chartered or sponsored by Acts of Congress are not backed by the full faith and credit of the United States. It is possible that issuers of U.S. government securities will not have the funds to meet their payment obligations in the future. Fannie Mae and Freddie Mac have been operating under a conservatorship, with the Federal Housing Finance Administration ("FHFA") acting as their conservator, since 2008. The entities are dependent upon the continued support of the U.S. Department of the Treasury and FHFA in order to continue their business operations. These factors, among others, could affect the future status and role of Fannie Mae and Freddie Mac and the value of their debt and equity securities and the securities which they guarantee. Additionally, the U.S. government and its agencies and instrumentalities do not guarantee the market values of their securities, which may fluctuate.
- *Short-Term Investment Fund Risk.* A portion of an Advisory Account's assets may be invested in a Short-Term Investment Fund ("STIF") for liquidity or cash management purposes. STIF vehicles for Advisory Accounts are typically determined by the client, and managed by the Advisory Account's trustee or custodian or a third-party manager. For stable value mandates, the ability of the Advisory Account to maintain a stable net asset value is dependent in part on the ability of the STIF vehicle to maintain a stable NAV.

Risks that Apply Primarily To Derivatives Investments

- *Call and Put Options Risks.* There are risks associated with the sale and purchase of call and put options. The seller (writer) of a call option which is covered (i.e., the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The seller (writer) of a put option which is covered (i.e., the writer has a

short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received, and gives up the opportunity for gain on the underlying security below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option.

- *Failure of Brokers, Counterparties and Exchanges Risk.* An Advisory Account will be exposed to the credit risk of the counterparties with which, or the brokers, dealers and exchanges through which, it deals, whether it engages in exchange-traded or off-exchange transactions. An Advisory Account may be subject to risk of loss of its assets on deposit with a broker in the event of the broker's bankruptcy, the bankruptcy of any clearing broker through which the broker executes and clears transactions on behalf of the Advisory Account, or the bankruptcy of an exchange clearing house. In the case of a bankruptcy of the counterparties with which, or the brokers, dealers and exchanges through which, the Advisory Account deals, the Advisory Account might not be able to recover any of its assets held, or amounts owed, by such person, even property specifically traceable to the Advisory Account, and, to the extent such assets or amounts are recoverable, the Advisory Account might only be able to recover a portion of such amounts. Further, even if the Advisory Account is able to recover a portion of such assets or amounts, such recovery could take a significant period of time.

In addition, although the U.S. Commodity Exchange Act, as amended, requires a commodity broker to segregate the funds of its customers, if a commodity broker fails to properly segregate customer funds, an Advisory Account may be subject to a risk of loss of its funds on deposit with such broker in the event of such broker's bankruptcy or insolvency. Also, to the extent an Advisory Account has exposure to foreign broker-dealers it may also be subject to risk of loss of its funds because foreign regulatory bodies may not require such broker-dealers to segregate customer funds.

To the extent an Advisory Account invests in swaps, derivatives or synthetic instruments, or other over-the-counter transactions in these markets, the Advisory Account may take a credit risk with regard to parties with which it trades and also may bear the risk of settlement default. These risks may differ materially from those involved in exchange-traded transactions, which generally are characterized by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries.

- *Forward Contracts Risks.* The Advisory Accounts may enter into forward contracts and options thereon which are not traded on exchanges and are generally not regulated and there are no limitations on daily price moves of forward contracts. In addition, an Advisory Account may be exposed to credit risks with regard to counterparties with whom it trades as well as risks relating to settlement default. Such risks could result in substantial losses to an Advisory Account.

- *Futures Risks.* Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits.” It is also possible that an exchange or the CFTC may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract, implement retroactive speculative position limits, or order that trading in a particular contract be conducted for liquidation only. The circumstances described above could prevent Dwight from liquidating unfavorable positions promptly and subject an Advisory Account to substantial losses.
- *Leverage Risk.* If an Advisory Account utilizes leverage, the Advisory Account will be subject to heightened risk. Leverage may take the form of borrowing funds, trading on margin, derivative instruments that are inherently leveraged, including among others forward contracts, futures contracts, options, swaps (including total return financing swaps and interest rate swaps), repurchase agreements and reverse repurchase agreements, or other forms of direct and indirect borrowings, and other instruments and transactions that are inherently leveraged. Any such leverage, including leverage that takes the form of instruments and transactions that are inherently leveraged, may result in the Advisory Account’s market value exposure being in excess of the net asset value of the Advisory Account.
- *Requirement to Perform.* In contrast to exchange-traded instruments, forward, spot and option contracts and swaps do not provide a trader with the right to offset its obligations through an equal and opposite transaction. For this reason, in entering into forward, spot or option contracts, or swaps, an Advisory Account may be required, and must be able, to perform its obligations under the contract.
- *Reverse Repurchase Agreements Risks.* Reverse repurchase transactions involve risks that the value of portfolio securities being relinquished may decline below the price that must be paid when the transaction closes or that the other party to a reverse repurchase agreement will be unable or unwilling to complete the transaction as scheduled, which may result in losses to an Advisory Account.
- *Risks of Derivative Investments.* Certain Advisory Accounts may invest in derivative instruments, including, without limitation, options, futures, options on futures, forwards, swaps, interest rate caps and floors and collars. To the extent Advisory Accounts invest in these types of derivative instruments through OTC transactions, there may be less governmental regulation and supervision of the OTC markets than of transactions entered into on organized exchanges. Investments in derivative instruments may be for both hedging and non-hedging purposes (that is, to seek to increase total return), although suitable derivative instruments may not always be available to Dwight for these purposes. Losses in an Advisory Account from investments in derivative instruments can result from a lack of correlation between changes in the value of derivative instruments and the portfolio assets (if any) being hedged, the potential illiquidity of the markets for derivative instruments, the failure of the counterparty to perform its contractual obligations, or the

risks arising from margin requirements and related leverage factors associated with such transactions. Losses may also arise if an Advisory Account receives cash collateral under the transaction and some or all of that collateral is invested in the market. To the extent that cash collateral is so invested, such collateral will be subject to market depreciation or appreciation, and an Advisory Account may be responsible for any loss that might result from its investment of the counterparty's cash collateral. The use of these management techniques also involves the risk of loss if Dwight is incorrect in its expectation of the timing or level of fluctuations in securities prices or interest rates. Investments in derivative instruments may be harder to value, subject to greater volatility and more likely to be subject to changes in tax treatment than other investments. For these reasons, Dwight's attempts to hedge portfolio risks through the use of derivative instruments may not be successful, and Dwight may choose not to hedge certain portfolio risks. Investing for non-hedging purposes is considered a speculative practice and presents even greater risk of loss. Some floating-rate derivative debt securities can present more complex types of derivative and interest rate risks. For example, range floaters are subject to the risk that the coupon will be reduced below market rates if a designated interest rate floats outside of a specified interest rate band or collar. Dual index or yield curve floaters are subject to lower prices in the event of an unfavorable change in the spread between two designated interest rates.

- *Swaps Risks.* 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. Swaps may be subject to various types of risks, including market risk, liquidity risk, structuring risk, legal risk, tax risk, and the risk of non-performance by the counterparty. Swaps can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swaps may increase or decrease an Advisory Account's exposure to commodity prices, equity or debt securities, long-term or short-term interest rates (in the United States or abroad), foreign currency values, mortgage-backed securities, corporate borrowing rates, or other factors such as security prices, baskets of securities, or inflation rates and may increase or decrease the overall volatility of the Advisory Account's portfolio.

Risks that Apply Primarily to Investments in Third-Party Managers

- *Government Investigations.* In the event that a third-party manager or any current or former personnel or affiliate thereof becomes the subject of (or is otherwise involved in) any formal or informal investigation by a governmental or regulatory agency or is otherwise suspected to have engaged in or be involved in any wrongdoing (including through reports in the press), such event may have a material adverse effect on the manager and its operations, regardless of whether such manager or other person is ultimately charged or found to have engaged in any wrongdoing, including as a result of

reputational harm and the diversion of the manager's attention from its investment management responsibilities.

- *Limitations on Dwight's Authority.* Third-party managers, and not Dwight, typically have responsibility for the day-to-day management of the third-party investment account or investment vehicles in which Advisory Accounts may invest. Dwight's ability to waive or amend the investment objectives, policies, and strategies, remove, replace or withdraw assets from a third-party manager, reallocate assets among third-party managers and vary or change the allocation of assets of an Advisory Account may be subject to the limitations imposed by the agreements with clients or third-party managers, Stable Value Contracts, market conditions and applicable law. Losses may result during the time it takes Dwight to react to market or other conditions and comply with the required notice obligations or other contractual agreements.
- *Reliance on Third-Party Managers.* It is expected that Dwight generally will have less ability to monitor investments in third-party managers and to obtain full and current information with respect to such investments than it would have if the investments were made directly through Advisory Accounts. Success of investments in third-party managers depends upon, among other things, the ability of the third-party managers to develop and successfully implement strategies that achieve their investment objectives. For Advisory Accounts where Dwight selects and monitors third-party managers, Dwight relies to a great extent on information provided by the third-party managers and may have limited access to other information regarding the third-party managers' portfolios and operations. Dwight relies on the expertise of the third-party managers to help identify, evaluate, underwrite, operate, manage and dispose of assets. Dwight's selection of third-party managers is inherently based on subjective criteria with the result that the true performance and abilities of a third-party manager may be difficult to assess. The historical performance of a third-party manager is not indicative of its future performance, which can vary considerably. Consequently, the success of Dwight's Advisory Accounts that invest in third-party managers will be substantially dependent on the third-party managers and the individuals associated with such third-party managers. Should one or more of these individuals become incapacitated or in some other way cease to participate in investment decisions, Dwight's Advisory Accounts could be adversely affected. In addition, there is a risk that a third-party manager may knowingly, negligently or otherwise withhold or misrepresent information, including the presence or effects of any fraudulent or similar activities. Even if a third-party manager has not engaged in any wrongdoing, a third-party manager and its operations could be materially adversely affected if the third-party manager becomes the subject of (or is otherwise involved in) any formal or informal investigation by a governmental or regulatory agency or is otherwise suspected to have engaged in or be involved in any wrongdoing (including through reports in the press). Dwight's proper performance of its monitoring functions would generally not give Dwight the opportunity to discover such situations prior to the time the third-party manager discloses (or there is public disclosure of) the presence or effects of any fraudulent or

similar activities. In addition, certain service providers and consultants to third-party managers may also engage in fraudulent or similar activities (e.g., the dissemination by “expert networks” of material, non-public information regarding issuers), and third-party managers may intentionally or negligently benefit from such activities. In connection with Dwight’s ongoing review of third-party managers, Dwight may identify certain deficiencies with or other concerns relating to the manager. Dwight may decide not to terminate a third-party manager despite the identification of such deficiencies or concerns for various reasons. If the manager suffers losses during this period, Advisory Accounts could be materially adversely affected. Alternatively, Dwight may determine to withdraw or attempt to withdraw Advisory Account assets from a manager as a result of such deficiencies or concerns, but may be unable to do so for a significant period of time, and Advisory Accounts may be adversely affected.

In reporting to clients, Dwight may provide market, portfolio, performance and other information prepared by third-party managers (including managers over which Dwight does not have discretion), without independently verifying the accuracy of the information. In addition, crediting rates established under Stable Value Contracts may be based in part on data provided by third-party managers, the accuracy of which Dwight has not independently verified.

- *Risks Related to Investments in Third-Party Investment Vehicles.* To the extent that Dwight allocates a portion of a client’s assets to a third-party investment vehicle, the acceptance of additional subscriptions by third-party investment vehicles will dilute the indirect interests of the third-party investment vehicle’s existing investors (including an Advisory Account) in the third-party investment vehicle’s investment portfolio prior to any such subscription, which could have an adverse impact on the existing investors’ interests in the third-party investment vehicle if such third-party investment vehicle’s future investments underperform its prior investments. Interests in third-party investment vehicles generally are not freely transferrable, there generally will be no secondary market for such interests and third-party investment vehicles may impose redemption or other restrictions that are beyond Dwight’s control. In addition, during periods of limited liquidity and higher price volatility, a third-party manager’s ability to acquire or dispose of investments at a price and time that the third-party manager deems advantageous may be impaired. As a result, third-party managers may suspend or otherwise limit or defer redemptions, implement holdbacks until after the completion of year-end or final audits, and place illiquid assets in “side pockets” from which investors cannot redeem even when redemptions are not otherwise suspended or deferred. The valuations of third-party investment vehicles is ordinarily determined based upon valuations provided by third-party managers. Dwight may have no ability, and has no obligation, to assess the accuracy of the valuations received in respect of investment in third-party investment vehicles. Such valuations provided by the third-party managers may be estimates only and may be subject to later adjustment based on valuation information available at that time, including, without limitation, as a result of year end audits.

- *Style Drift Risk.* The managers of affiliated or unaffiliated investment funds in which an Advisory Account invests may remove, substitute, modify or otherwise deviate from their stated investment strategies and sub-strategies or any of the types of investments being utilized by the investment fund at the time of an Advisory Account's investment in the investment fund. Unexpected changes to a manager's investment strategies may adversely affect the Advisory Account's portfolio and may result in a manager making investments in an area in which it has limited experience or knowledge.
- *Third-Party Managers and Underlying Funds Invest Independently.* The third-party managers and underlying funds in which Advisory Accounts invest make investment decisions independently of each other and may at times hold economically offsetting positions or interests in the same underlying portfolio companies, and could indirectly incur transaction costs without accomplishing any net investment result, or may be competing with each other for the same positions in one or more markets. Multiple third-party managers or underlying investment funds may hold large positions in a relatively limited number of the same or similar investments. Greater concentration of positions across multiple third-party managers or underlying funds likely will increase the adverse effect of any problems experienced in the market, sector or industry in which the positions are concentrated.

Risks that Apply Primarily to Investments in Stable Value Contracts

Stable value strategies are subject to many of the risks described above as well as those risks related to Stable Value Contracts. Stable Value Contracts include GICs, wrap contracts, separate account contracts and other benefit responsive agreements. Stable Value Contracts are designed to permit benefit responsive plan participant withdrawals relating to activities such as investment option transfers, withdrawals on account of a participant's death, disability, retirement or other termination of employment, and in-service withdrawals in accordance with the plan to occur at book value on the terms set forth in each contract.

GICs are an obligation of the insurance company that has issued the contract, and as a result are subject to the issuer's credit risk. A wrap contract is an investment contract issued by an insurance company, bank or other financial institution, backed by a portfolio of bonds or other fixed income assets or instruments that are owned by the Advisory Account. These covered assets underlying the wrap contract are maintained separate from the contract provider's general assets, usually by a trustee or a third-party custodian. As a general matter, credit risk exposure to a wrap contract provider is limited to any excess of the contract value of the contract over the market value of the assets underlying the contract. Separate account contracts are similar in structure to GICs, except that the underlying assets are accounted for in a separate account for the benefit of the separate account investors.

The obligations of providers of Stable Value Contracts are those of the providers and are not obligations of Dwight, GSAML, Goldman Sachs or any of their affiliates. There is no guarantee that Stable Value Contracts will continue to be valued at their contract value rather than

market or fair value or that providers under Stable Value Contracts will fulfill their obligations. If the assets under a Stable Value Contract were revalued at their market value, this could cause a significant loss in value to an Advisory Account that held the contract.

Wrap and separate account contracts typically contain a formula for periodic reset of the contract crediting rate. The basic function of the crediting rate formula is to amortize (or “smooth”) the gain or loss experience of the underlying portfolio over the duration of the contract. A contract’s crediting rate provides a fixed return for a period of time until the next rate reset. Crediting rates for wrap contracts and separate account contracts are influenced by a number of factors including: (1) the current yield of the underlying assets in the contract, which may not reflect prevailing interest rates, (2) the duration of the underlying assets covered by the contract, (3) whether the market value of the underlying assets increases or decreases, through investment performance, market conditions or otherwise, (4) the existing difference between the market value of the underlying assets and contract value and (5) the contract fees and wrapped contract expenses incurred. The management of these factors can affect the volatility of the portfolio’s crediting rate. The use of the crediting rate formula and periodic reset schedule allow the portfolio’s return to track interest rates over time on a lagged basis. A stable value account’s yield is the aggregate of the yield of all investments held by the account.

Stable Value Contracts generally have terms that provide that contract withdrawals will not be paid by the provider at contract value (absent consent or waiver) but would be subject to a market value adjustment to the contract value for withdrawals associated with specified events or circumstances or when the provider determines that it could create a material adverse effect on their financial interests. While each contract’s terms may differ, events or circumstances which may trigger a market value adjustment can typically include all or some of the following: (1) amendments to the plan documents or plan’s administration; (2) additions of competing investment options or changes to the plan’s competing investment option or equity wash provisions or restrictions; (3) manager change; (4) complete or partial termination of the plan or merger of the plan with another plan; (5) a withdrawal from the underlying assets resulting from an event initiated or directed by the plan sponsor (“employer initiated event”) such as withdrawals due to the removal of a group of employees from coverage under the participating plan (such as a group layoff or early retirement incentive program), or the closing or sale of a subsidiary, employing unit or affiliate; (6) changes in law or regulation applicable to the plan or account; (7) the delivery of any communication to plan participants designed to influence a participant not to invest in the account; and (8) other events or circumstances provided for in the contract.

In addition, wrap contracts typically provide for an adjustment to contract value if a security that is part of the covered assets defaults or otherwise has its credit risk deteriorate or becomes “impaired” as defined in the contract. Separate account contracts can also include adjustments to contract value for impaired securities.

Wrap contracts also define certain termination events that permit the provider to terminate the contract at market value and the account will receive the market value of the covered assets as of the date of termination. Thus, if the market value of the covered assets is less than the contract value on the termination date, the contract does not require the issuer to pay any excess of contract value over market value. As a result, this type of termination will result in a market value adjustment. Issuer termination events vary by contract and typically may include some or all of the following: (1) the plan or its trust is fully or partially terminated or fails to be exempt from federal income taxation; (2) the plan merges with another plan; (3) if a security is sold or subject to a lien other than as permitted under the contract; (4) there is a material change in law, regulation, ruling, or accounting requirement applicable to the plan or account; (5) the bankruptcy of the plan or plan sponsor; (6) the level of impaired securities as defined in the contract exceeds an agreed upon amount of the portfolio; and (7) other events or circumstances provided for in the contract. In addition, if the plan defaults in its contractual obligations or representations under the contract (including non-compliance with investment guidelines) and such default is not cured within any applicable cure period, then the contract may be terminated by the issuer and the account will receive the market value as of the date of termination.

The terms of stable value collective investment funds and their related Stable Value Contracts typically contain notice periods before plan sponsors may terminate their complete investment in the funds at book value, as opposed to market value. Notice periods may be twelve months or such other periods established by the fund sponsor. Plan participant withdrawals and other participant activities are generally permitted to continue during the notice period. These notice periods may limit plan sponsor flexibility to implement desired changes.

The market for Stable Value Contracts is not unlimited. Certain Stable Value Contract providers have exited the stable value market or are, or may be, contemplating doing so in the future. There can be no assurance that sufficient Stable Value Contracts will be available in the future to replace or supplement existing contracts or, even if available, will be available on favorable financial terms. Stable Value Contract providers have increased fees and decreased the flexibility of terms they offer under contracts in the last several years, and may do so in the future. Stable Value Contract providers have required that accounts be managed under more conservative or restrictive investment guidelines than in the past in order to manage their Contract risk, which may result in lower returns. Certain Stable Value Contract providers offer bundled arrangements, under which the provider has both the contract value obligation and the provider (or an affiliate) manages the underlying portfolio. A bundled arrangement may involve certain conflicts, including that the provider's contract value obligation will in part be driven by the investment and risk strategies undertaken by it (or an affiliate) in managing the underlying portfolio. As a result, providers that offer bundled arrangements (or their affiliates) may be incentivized to manage the underlying portfolio in a manner that seeks to limit the provider's obligations under the Stable Value Contract. Future regulatory action could also impact the availability or terms of Stable Value Contracts, including studies being conducted by the CFTC and SEC under Title VII of Dodd-Frank.

Item 9. Disciplinary Information

This Item requests information relating to Dwight. There are no reportable material legal or disciplinary events related to Dwight. In the ordinary course of their business, Dwight and its investment management affiliates and their employees have in the past been, and may in the future be, subject to formal and informal regulatory inquiries, subpoenas, investigations, and legal or regulatory proceedings involving the SEC, other regulatory authorities, or private parties. In the past ten years, Dwight and its current investment management affiliates have not had an order or sanction issued against them by a regulatory body, apart from an improvement order issued in December 2005 to an investment management affiliate in Japan and a September 2007 Institutional Warning issued to another investment management affiliate in Korea by the Financial Supervisory Commission in Korea, each occurring prior to Dwight's acquisition by GSAMLPL.

Additional information about Dwight's investment management affiliates is contained in Part 1 of Dwight's Form ADV. For information relating to other Goldman Sachs affiliates, please visit www.gs.com and refer to the public filings of The Goldman Sachs Group, Inc.

Item 10. Other Financial Industry Activities and Affiliations

BROKER-DEALER REGISTRATION

Certain of Dwight's management persons may be registered representatives of Goldman, Sachs & Co. ("GS&Co."), a registered broker-dealer, if necessary or appropriate to perform their responsibilities.

COMMODITY POOL OPERATOR, COMMODITY TRADING ADVISER, FUTURES COMMISSION MERCHANT REGISTRATION

Certain of Dwight's management persons may be registered as associated persons of GSAMLPL, a commodity pool operator ("CPO") and a commodity trading advisor ("CTA") registered with the CFTC, to the extent necessary or appropriate to perform their responsibilities.

OTHER MATERIAL RELATIONSHIPS WITH AFFILIATED ENTITIES

Dwight may use, suggest or recommend its own services or those of affiliated Goldman Sachs entities. Dwight may manage Advisory Accounts on behalf of such affiliated Goldman Sachs entities, which may create potential conflicts of interest related to Dwight's determination to use, suggest or recommend the services of such entities. The particular services involved will depend on the types of services offered by the affiliate. The arrangements may involve sharing or joint compensation, or separate compensation, subject to the requirements of applicable law. Particular relationships may include, but are not limited to, those discussed below. Goldman Sachs affiliates will retain any compensation when providing investment services to,

or in connection with investment activities of, Advisory Accounts. Compensation may take the form of commissions, markups, markdowns, service fees or other commission equivalents. Client accounts will not be entitled to any such compensation retained by Goldman Sachs affiliates.

Broker-Dealer; Derivatives Dealer

Subject to client consent and applicable law, Dwight may use, or suggest or recommend that advisory clients use, the securities, futures execution, custody or other services offered by Goldman Sachs affiliates. These may include (but are not limited to) GS&Co. and Goldman Sachs International ("GSI"). Clients pay for broker-dealer or other services performed by Dwight's affiliates in addition to the advisory fee paid to Dwight.

Dwight may receive record keeping, administrative and support services from its broker-dealer affiliates. Dwight, in its advisory capacity, may also obtain research ideas, analyses, reports and other services (including distribution services) from broker-dealer affiliates. Subject to client consent and applicable law, Dwight may enter into principal transactions, including over-the-counter derivatives transactions, for clients with its affiliates, including GS&Co., GSI and other affiliates of Dwight. Dwight's affiliates will earn mark-ups, mark-downs, spreads, financing fees and other charges that may be embedded in the cost of the derivative. Clients will pay these charges in addition to the advisory fee paid to Dwight. Dwight and its affiliates may share all or a portion of their charges and fees with each other and with their affiliates and employees. For additional information about principal trading, please see Item 11, Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

In addition, Goldman Sachs may have ownership interests in trading networks, securities, or derivatives indices, trading tools, settlement systems and other assets.

Investment Companies and Other Pooled Investment Vehicles

Dwight or its affiliates act in an advisory, sub-advisory and other capacities, including as trustee, managing member, adviser, administrator and/or distributor, to a variety of U.S. and non-U.S. investment companies as well as other pooled investment vehicles including collective trusts and alternative investment funds. Certain personnel of Dwight or its affiliates are also directors, trustees and/or officers of these investment companies and other pooled investment vehicles.

Other Investment Advisers

Many of the fixed income advisory services and related services are performed for Advisory Accounts by certain GSAML P employees who now are also employees of Dwight, as well as through delegation and other arrangements between Dwight and GSAML P. As a result of the acquisition of Dwight by GSAML P, Dwight also has investment advisory affiliates in Australia, Canada, China, India, Brazil, England, Germany, Hong Kong, Ireland, Italy, Japan, Singapore,

Korea and the United States. These affiliates include: GSAMLP, Goldman Sachs Asset Management Australia Pty Ltd, Goldman Sachs Asset Management Brazil LTDA, Goldman Sachs (China) L.L.C., Beijing Gao Hua Securities Company Limited, Goldman Sachs (India) Securities Private Limited, Goldman Sachs Asset Management (India) Private Limited, Goldman Sachs Services Pvt. Ltd., Goldman Sachs Representações Ltda, Goldman Sachs Asset Management International ("GSAMI"), Goldman Sachs (Asia) L.L.C. ("GS Asia"), Goldman Sachs Asset Management Co. Ltd. ("GSAMC"), Goldman Sachs (Singapore) Pte. ("GSSP"), GS&Co., Archon Group, L.P. ("Archon"), The Ayco Company, L.P. ("Ayco"), GSI, Goldman Sachs Global Advisory Products LLC ("GSGAP"), Goldman Sachs Hedge Fund Strategies LLC ("HFS"), Goldman Sachs Asset Management Korea Co., Ltd. ("GSAMK"), GS Investment Strategies Canada Inc. ("GSIS Canada"), GS Investment Strategies, LLC ("GSIS"), USI Securities, Inc., USI Advisors, Inc. and Kibble & Prentice Holding Company.

Among Dwight's investment advisory affiliates, GSAMLP, GSAMI, GS&Co., Archon, Ayco, GSGAP, HFS, GSIS, USI Securities, Inc., USI Advisors, Inc. and Kibble & Prentice Holding Company are registered with the SEC as investment advisers. Goldman Sachs Asset Management Australia Pty Ltd, Goldman Sachs Asset Management Brazil LTDA, Goldman Sachs (China) L.L.C., Beijing Gao Hua Securities Company Limited, Goldman Sachs Asset Management (India) Private Limited, Goldman Sachs (India) Securities Private Limited, Goldman Sachs Services Pvt. Ltd., Goldman Sachs Representações Ltda, GS Asia, GSAMC, GSI, GSAMK, GSIS Canada and GSSP are not registered with the SEC as investment advisers but are foreign affiliated advisers that may provide advice or research to Dwight for use with Dwight's U.S. clients (in such capacity, "Participating Affiliates"). The Participating Affiliates will act according to a series of SEC no-action relief letters mandating that Participating Affiliates remain subject to the regulatory supervision of both Dwight and the SEC. Dwight has or intends to have co-advisory or sub-advisory relationships with affiliates, and/or participating affiliate relationships with the Participating Affiliates.

Dwight may, in its discretion, delegate all or a portion of its advisory or other functions (including placing trades on behalf of Advisory Accounts) to any other affiliate that is registered with the SEC as an investment adviser or to any Participating Affiliate. The brochure of GSAMLP and any other affiliate that is registered with the SEC as investment adviser is available on the SEC's website (www.adviserinfo.sec.gov). To the extent Dwight delegates its advisory or other functions to any such affiliate, a copy of the affiliate's brochure will be provided to clients or prospective clients upon request. Clients that want more information about any of these affiliates should contact Dwight.

In addition, Dwight may participate in sub-advisory, co-advisory or other joint projects related to pooled investment vehicles with institutions not a part of Goldman Sachs.

Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Adviser

As a result of the acquisition of Dwight by GSAMLP, Dwight has affiliates registered with the CFTC as a futures commission merchant, CPO and/or CTA. These firms include GSAMLP,

GS&Co. and Goldman Sachs Execution & Clearing, L.P. If permitted by law and applicable regulations, Dwight may buy or sell futures on behalf of its clients through its CFTC-registered affiliates and these affiliates may receive commissions.

Bank or Thrift Institution

The Goldman Sachs Group, Inc., the ultimate parent company of Dwight, is a bank holding company registered with the Board of Governors of the Federal Reserve System. The Goldman Sachs Group, Inc. is subject to supervision and regulation by the Federal Reserve Board of Governors.

Dwight also has relationships with The Goldman Sachs Trust Company, N.A., a national bank limited to fiduciary activities ("GSTC"). GSTC serves as trustee and/or managing member of various pooled investment vehicles available to Advisory Accounts and other investors. Dwight serves as adviser to GSTC and these vehicles and will receive fees from GSTC according to the fee schedules agreed between the parties. Certain personnel of GSAML and other Dwight affiliates may provide services to GSTC for these pooled investment vehicles, and certain personnel of Dwight may be cross-designated as officers of GSTC.

Sponsor or Syndicator of Limited Partnerships

Dwight and its affiliates may create and/or distribute unregistered privately-placed vehicles and may receive fees.

Insurance Company or Agency

Dwight's affiliates, Commonwealth Annuity and Life Insurance Company, First Allmerica Financial Life Insurance Company, Columbia Capital Life Reinsurance Company and Charleston Capital Reinsurance, LLC engage in the insurance business for the purpose of insuring and reinsuring life and annuity contracts including, but not limited to variable life and variable annuity contracts. Dwight's affiliates, Arrow Capital Reinsurance Company, Limited and Arrow Reinsurance Company, Ltd engage in the insurance business for the purpose of reinsuring life and annuity contracts including, but not limited to, variable life and annuity contracts and reinsuring property and catastrophe risks. Dwight's affiliated insurance group also contains a Lloyds of London Syndicate that underwrites property and catastrophe and other casualty risks.

Management Persons; Policies and Procedures

Certain of Dwight's management persons may also hold positions with the affiliates listed above. In these positions, those management persons of Dwight may have some responsibility with respect to the business of these affiliates and the compensation of these management persons may be based, in part, upon the profitability of other parts of Goldman Sachs. Consequently, in carrying out their roles at Dwight and these other entities, the management

persons of Dwight may be subject to the same or similar potential conflicts of interest that exist between Dwight and these affiliates.

Dwight has established a variety of restrictions, policies, procedures, and disclosures designed to address potential conflicts that may arise between Dwight, its management persons and its affiliates. These policies and procedures include: information barriers designed to prevent the flow of information between Dwight, personnel of Dwight and certain other affiliates; policies and procedures relating to brokerage selection, trading with affiliates or investing in products managed or sponsored by affiliates; and allocation and trade sequencing policies applicable to Advisory Accounts and Accounts (as defined in Item 11). Additional information about these conflicts and the policies and procedures to address them is available in Item 11, Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

RECEIPT OF COMPENSATION FROM INVESTMENT ADVISERS

Dwight may allocate Advisory Account assets to one or more third-party managers, directly or indirectly, through, among other means, discretionary managed accounts or investment funds. In addition, Dwight may make recommendations to clients regarding third-party managers. The interests and business relationships of Goldman Sachs (including Dwight) and personnel of Goldman Sachs ("Personnel") may create potential conflicts in the selection or recommendation of managers for, or the determination to increase allocations of assets to or withdraw assets from third-party managers on behalf of, Advisory Accounts. Dwight makes determinations or recommendations regarding third-party managers consistent with its fiduciary duties and the investment processes described in Item 8, Methods of Analysis, Investment Strategies and Risk of Loss. Goldman Sachs may derive benefits from certain decisions made in respect of managers. It is expected that Goldman Sachs may receive various forms of compensation, commissions, payments, rebates, remuneration, investment activity, services or other benefits from managers to which Advisory Accounts allocate assets, or may have interests in such managers or their businesses and provide a variety of products and services to them, including prime brokerage and research services. The amount of such compensation, commissions, payments, rebates, remuneration, investment activity, services or other benefits to Goldman Sachs may be greater if Dwight selects such managers than it would have been had other managers been selected that might also have been appropriate for the Advisory Accounts.

In addition, Dwight will face potential conflicts in making determinations as to whether Advisory Accounts should invest or withdraw funds from managers with which Dwight or Goldman Sachs has other business relationships. For example, Goldman Sachs, Advisory Accounts or other Accounts may have equity, profits or other interests in managers or may have entered into arrangements with such managers in which such managers would share with Goldman Sachs, an Advisory Account or other Account a material portion of its fees or allocations (including, without limitation, fees earned by such managers as a result of the allocation of Advisory Account assets to such managers). Payments to Goldman Sachs (either

directly from such managers or in the form of fees or allocations payable by Advisory Account or other Accounts) will generally increase as the amount of assets that such managers manage increases. Therefore, investment by Advisory Accounts with such managers where Goldman Sachs, Advisory Accounts or other Accounts have a fee and/or profit sharing arrangement or other interest in the equity or profits of such managers may result in additional revenues to Goldman Sachs and its Personnel. The relationship Goldman Sachs, Advisory Accounts and other Accounts have with such managers may also result in Dwight being incentivized to increase Advisory Accounts' investments with such managers or to retain their investments with such managers. Goldman Sachs (including, without limitation, Dwight) may receive notice of, or offers to participate in, investment opportunities from third-party managers, their affiliates or other third parties. Such investment opportunities may be offered to Goldman Sachs for various reasons, which may include business relationships with third-party managers or their affiliates or other reasons, including that one or more Advisory Accounts have made investments with such third-party managers, but such opportunities may not be allocated to such Advisory Accounts. Therefore, investment (or continued investment) by particular Advisory Accounts with such managers may result in additional investment opportunities to Goldman Sachs or other Accounts. An Advisory Account will not be entitled to compensation in connection with investments that are not allocated to such Advisory Account (or not fully allocated to such Advisory Account) and are allocated to Goldman Sachs (including Dwight) or other Accounts (including other Advisory Accounts).

In addition, the fee structure of certain Advisory Accounts (pursuant to which Dwight may be required to compensate managers out of the fee it receives from the client) may incentivize Dwight to select managers with lower compensation levels (including managers that discount their fees based on aggregate account size or other relationships) than other managers which might also be appropriate for the Advisory Accounts. Fee breakpoints in an Advisory Account may also be affected by Goldman Sachs' business relationships and the size of Accounts other than the Advisory Account, and may directly or indirectly benefit Goldman Sachs and other Accounts. Client accounts will not be entitled to any compensation with respect to such benefits received by Goldman Sachs and other Accounts.

Goldman Sachs (including Dwight) may also serve as a manager with respect to discretionary managed accounts or investment funds (including money market funds) to which Advisory Accounts directly or indirectly allocate assets, and will receive compensation in connection therewith. Client accounts will pay all fees to Goldman Sachs in its capacity as manager of such discretionary managed accounts or investment funds, and fees to Dwight in its capacity as advisor to the Advisory Accounts will not be reduced by any fees payable to Goldman Sachs as manager (i.e., there could be "double fees" involved in making any such investment, which would not arise in connection with the direct allocation of assets by the account holder to such discretionary managed accounts or investment funds). Because Goldman Sachs will on an overall basis receive higher fees, compensation and other benefits if the assets of Advisory Accounts are allocated to managed accounts or investment funds managed by Goldman Sachs rather than solely to managed accounts or investment funds managed by unaffiliated

managers, Dwight will be incentivized to allocate the assets of Advisory Accounts to managed accounts or investment funds managed by Goldman Sachs. Furthermore, Dwight will have an interest in allocating the assets of Advisory Accounts to managed accounts or investment funds managed by Goldman Sachs that impose higher fees than those imposed by other managed accounts or investment funds managed by Goldman Sachs. Correspondingly, Dwight may be disincentivized to consider the removal of assets from, or the modification of allocations to, a managed account or investment fund managed by Goldman Sachs where doing so would decrease the fees, compensation and other benefits to Goldman Sachs.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

CODE OF ETHICS AND PERSONAL TRADING

Dwight employees are subject to a Code of Ethics (the "Code") under Rule 204A-1 of the Advisers Act designed to provide that Dwight Personnel, and certain additional Personnel who support Dwight, comply with applicable federal securities laws and place the interests of clients first in conducting personal securities transactions. The Code imposes certain restrictions on securities transactions in the personal accounts of covered persons to help avoid conflicts of interest. Subject to the limitations of the Code, covered persons may buy and sell securities or other investments for their personal accounts, including investments in pooled investment vehicles that are sponsored, managed or advised by Goldman Sachs, and may also take positions that are the same as, different from, or made at different times than, positions taken for Advisory Accounts. Dwight will provide a copy of the Code to clients or prospective clients upon request. Additionally, Personnel, including Dwight Personnel, are subject to firm-wide policies and procedures regarding confidential and proprietary information, information barriers, private investments, outside business activities and personal trading.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

Dwight acts as investment adviser under the Advisers Act in accordance with fiduciary standards. 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. As such, Goldman Sachs provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high net-worth individuals. Goldman Sachs acts as an investment banker, research provider, investment manager, financier, advisor, market maker, prime broker, derivatives dealer, lender, counterparty, agent and principal. In those and other capacities, Goldman Sachs advises clients in all markets and transactions and purchases, sells, holds and recommends a broad array of investments, including securities, derivatives, loans, commodities, currencies, credit default swaps, indices, baskets and other financial instruments and products for its own accounts and for the accounts of clients and of its Personnel, through client accounts and the relationships and products it sponsors, manages and advises (such Goldman Sachs or other client accounts,

relationships and products, including Advisory Accounts, collectively, the "Accounts"). Goldman Sachs has direct and indirect interests in the global fixed income, currency, commodity, equities, bank loan and other markets, and the securities and issuers, in which the Advisory Accounts may directly and indirectly invest. As a result, Goldman Sachs' activities and dealings may affect Advisory Accounts in ways that may disadvantage or restrict Advisory Accounts and/or benefit Goldman Sachs or other Accounts (including Advisory Accounts). The following are descriptions of certain conflicts of interest and potential conflicts of interest that may be associated with the financial or other interests that Dwight and Goldman Sachs may have in transactions effected by, with, and on behalf of Advisory Accounts.

Principal Trading and Cross/Agency Cross Transactions with Advisory Accounts

When permitted by applicable law and Dwight's policy, Dwight, acting on behalf of its Advisory Accounts, may enter into transactions in securities and other instruments with or through Goldman Sachs or in Affiliated Products (as defined below), and may cause Advisory Accounts to engage in cross transactions. There may be potential conflicts of interest or regulatory issues relating to these transactions which could limit Dwight's decision to engage in these transactions for Advisory Accounts. Principal transactions occur if Dwight, on behalf of Advisory Accounts, engages in a transaction in securities or other instruments with Goldman Sachs or in Affiliated Products acting as principal. Goldman Sachs may earn compensation (such as a spread or mark-up) in connection with these transactions. Cross transactions occur if Dwight causes an Advisory Account to buy securities or other instruments from, or sell securities or other instruments to, another Advisory Account of Dwight or its investment advisory affiliates. An agency cross transaction occurs if Goldman Sachs acts as broker for, and receives a commission from, an Advisory Account on one side of the transaction and a brokerage account on the other side of the transaction in connection with the purchase or sale of securities by the Advisory Account. Goldman Sachs may have a potentially conflicting division of loyalties and responsibilities to the parties in such transactions, and has developed policies and procedures in relation to such transactions and conflicts. Any principal, cross or agency cross transactions will be effected in accordance with fiduciary requirements and applicable law (which may include disclosure and consent).

Effects of Goldman Sachs' Activities on Advisory Accounts

The extent of Goldman Sachs' activities in the global financial markets may have potential adverse effects on Advisory Accounts. Goldman Sachs, the clients it advises, and its Personnel have interests in and advise Accounts (including Advisory Accounts) that have investment objectives or portfolios similar to or opposed to those of particular Advisory Accounts, and/or which engage in and compete for transactions in the same types of securities and other instruments as particular Advisory Accounts, including Accounts that may provide greater fees or other compensation, including performance-based fees, to Goldman Sachs. These interests may involve the same or related securities or other instruments as those in which particular Advisory Accounts invest, and such Accounts may engage in a strategy while an Advisory Account is undertaking the same or a differing strategy, any of which could disadvantage the

Advisory Account. For example, an Advisory Account may buy a security and Goldman Sachs may establish a short position in that same security or in similar securities. This short position may result in the impairment of the price of the security that the Advisory Account holds or may be designed to profit from a decline in the price of the security. To the extent Accounts (including Advisory Accounts) engage in transactions in the same types of securities as particular Advisory Accounts, transactions by Accounts may dilute or otherwise negatively affect the investments of such Advisory Accounts. Moreover, a particular Advisory Account on the one hand, and Goldman Sachs or an Account (including an Advisory Account) on the other hand, may also vote differently on or take or refrain from taking different actions with respect to the same security, which may be disadvantageous to the Advisory Account. In addition, Goldman Sachs or Accounts (including Advisory Accounts), on the one hand, and a particular Advisory Account, on the other hand, may invest in different classes of securities or different parts of the capital structure of the same issuer and as a result one may take actions that adversely affect the other.

In addition, Goldman Sachs (including Dwight) may advise clients with respect to different parts of the capital structure of the same issuer and classes of securities that are subordinate or senior to securities in which a particular Advisory Account invests. As a result, Goldman Sachs may pursue or enforce rights or activities on behalf of Accounts (including Advisory Accounts), or refrain from pursuing or enforcing rights or activities, with respect to a particular issuer in which the Advisory Account has invested. For example, Goldman Sachs (on behalf of Accounts, including Advisory Accounts) may seek a liquidation of an issuer in respect of which it holds debt securities, whereas if a particular Advisory Account holds equity securities in such issuer, the Advisory Account may prefer a reorganization of the issuer. Advisory Accounts may be negatively affected by these activities and decisions, and Advisory Account transactions may be effected at prices or terms that may be less favorable than would otherwise have been the case. Particular Advisory Accounts could sustain losses during periods in which Goldman Sachs and other Accounts (including Advisory Accounts) achieve profits. The negative effects described above may be more pronounced in connection with transactions in, or Advisory Accounts utilizing, small capitalization, emerging market, distressed or less liquid strategies.

Goldman Sachs may make loans to clients, or enter into asset-based or other credit facilities or similar transactions with clients, that are secured by a client's assets or interests in an Advisory Account. In connection with its rights as lender, Goldman Sachs may take actions that adversely affect an Advisory Account, including by causing an Advisory Account to default, liquidate its assets or redeem positions more rapidly (and at significantly lower prices) than might otherwise be desirable. Such transactions may adversely affect the borrower Advisory Account and may in turn adversely affect other Advisory Accounts (e.g., if an Advisory Account holds the same type of security or other asset that is serving as collateral for a loan, the Advisory Account may be disadvantaged when the borrower Advisory Account liquidates assets in response to an action taken by Goldman Sachs).

Subject to applicable law, Goldman Sachs or Accounts (including Advisory Accounts and Accounts formed to facilitate investment by Personnel) may also invest in or alongside particular Advisory Accounts that are pooled investment vehicles. Such investments may be on terms more favorable than those of an investment by other Advisory Accounts in the pooled investment vehicle and may constitute substantial percentages of the assets of the pooled investment vehicle. Unless provided otherwise by agreement to the contrary, Goldman Sachs or Accounts may redeem interests in these pooled investment vehicles at any time without notice to or regard to the effect on the portfolios of Advisory Accounts invested in the pooled investment vehicle, which may be adverse.

Goldman Sachs may create, write, sell, issue, invest in or act as placement agent or distributor of derivative instruments related to Advisory Accounts such as pooled investment vehicles, or with respect to underlying securities or assets of an Advisory Account, or which may be otherwise based on or seek to replicate or hedge the performance of an Advisory Account. Such derivative transactions, and any associated hedging activity, may differ from and be adverse to the interests of Advisory Accounts.

Goldman Sachs and its Personnel, when acting as an investment banker, market maker, investor, broker, advisor or research provider, may make investments or recommendations, provide differing investment views or have views with respect to research or valuations, that are inconsistent with, or adverse to, the interests and activities of Advisory Accounts. Similarly, Dwight's investment teams may have differing investment views in respect of an issuer or a security, and the positions an investment team takes in respect of an Advisory Account it manages may be inconsistent with, or adverse to, the interests and activities of Advisory Accounts advised by Dwight's affiliates. Moreover, research, analyses or viewpoints may be available to clients or potential clients at different times. Goldman Sachs will not have any obligation to make available to the Advisory Accounts any research or analysis prior to its public dissemination. Goldman Sachs, on behalf of one or more Accounts (including Advisory Accounts), may implement an investment decision or strategy ahead of, or contemporaneously with, or behind similar investment decisions or strategies made for Advisory Accounts (whether or not the investment decisions emanate from the same research analysis or other information). The relative timing for the implementation of investment decisions or strategies for particular Advisory Accounts, on the one hand, and other Accounts (including Advisory Accounts), on the other hand, may disadvantage the Advisory Accounts. Certain factors, for example, market impact, liquidity constraints, or other circumstances, could result in Advisory Accounts receiving less favorable trading results or incurring increased costs associated with implementing such investment decisions or strategies, or being otherwise disadvantaged.

Goldman Sachs has established certain information barriers and other policies to address the sharing of information between different businesses within Goldman Sachs. As a result of information barriers, Dwight generally will not have access, or will have limited access, to information and Personnel in other areas of Goldman Sachs, and generally will not be able to manage the Advisory Accounts with the benefit of information held by these other areas.

Goldman Sachs, due to its access to and knowledge of funds, markets and securities based on its prime brokerage and other businesses, may make decisions based on information or take (or refrain from taking) actions with respect to interests in investments of the kind held by Advisory Accounts in a manner that may be adverse to Advisory Accounts, and will not have any obligation to share information with Dwight. Information barriers may also exist between businesses within Dwight. In addition, Goldman Sachs will not have any obligation to make available any information regarding its trading activities, strategies or views, or the activities, strategies or views used for other Accounts, for the benefit of Advisory Accounts. To the extent that Dwight has access to fundamental analysis and proprietary technical models or other information developed by Goldman Sachs and its Personnel, Dwight will not be under any obligation to effect transactions on behalf of the Advisory Accounts in accordance with such analysis and models. Different portfolio management teams within Dwight may make decisions based on information or take (or refrain from taking) actions with respect to Advisory Accounts they advise in a manner that may be adverse to other Advisory Accounts. Such teams may not share information with other portfolio management teams within Dwight, including as a result of certain information barriers and other policies, and will not have any obligation to do so.

Dwight, in its capacity as manager, sponsor and adviser of Advisory Accounts and subject to applicable law, may cause Advisory Accounts to invest, directly or indirectly, in securities, bank loans or other obligations of companies affiliated with Goldman Sachs, advised by Goldman Sachs (including Dwight) or in which Goldman Sachs or Accounts (including Advisory Accounts) have an equity, debt or other interest, or to engage in investment transactions that may result in other Accounts (including Advisory Accounts) being relieved of obligations or otherwise divested of investments. For example, an Advisory Account may acquire securities or indebtedness of a company affiliated with Goldman Sachs directly or indirectly through syndicate or secondary market purchases. These activities by an Advisory Account may enhance the profitability of Goldman Sachs' or other Accounts' (including Advisory Accounts') investment in and activities with respect to such companies.

Goldman Sachs may provide various services to Advisory Accounts or to companies or affiliated or unaffiliated investment funds in which Advisory Accounts have an interest, which may result in fees, compensation and remuneration, as well as other benefits, to Goldman Sachs. For example, Goldman Sachs may be hired by Dwight on behalf of an Advisory Account or directly by an Advisory Account, or by a company or an affiliated or unaffiliated investment fund in which an Advisory Account has an interest, to provide investment advisory, custody, distribution, transfer agency, administrative, lending or other services (including legal, accounting and other back office services) to the Advisory Account, company or investment fund. In addition, Goldman Sachs may act as broker, dealer, agent, lender or advisor or in other commercial capacities for Advisory Accounts or companies or affiliated or unaffiliated investment funds in which Advisory Accounts have an interest. For example, a company in which an Advisory Account has an interest may hire Goldman Sachs to provide underwriting, merger advisory, placement agency, foreign currency hedging, research, asset management services, brokerage services or other services to the company. In connection with providing

such services, Goldman Sachs may take commercial steps in its own interests, which may have an adverse effect on Advisory Accounts. Providing such services to the Advisory Accounts and companies and affiliated or unaffiliated investment funds in which they invest may enhance Goldman Sachs' relationships with various parties, facilitate additional business development and enable Goldman Sachs to obtain additional business and generate additional revenue. Advisory Accounts will not be entitled to compensation related to any businesses of Goldman Sachs or Dwight.

Dwight, while not the primary valuation agent of Advisory Accounts, performs certain valuation services related to securities and assets in Advisory Accounts. Dwight values securities and assets in Advisory Accounts according to its valuation policies. Dwight may value an identical asset differently than another division or unit within Goldman Sachs, including because such other division or unit has information regarding valuation techniques and models or other information that it does not share with Dwight. This is particularly the case in respect of difficult-to-value assets. Dwight may also value an identical asset differently in different Advisory Accounts, including because different Advisory Accounts are subject to different valuation guidelines pursuant to their respective governing agreements, different third party vendors are hired to perform valuation functions for the Advisory Accounts or the Advisory Accounts are managed or advised by different portfolio management teams within Dwight. Dwight may face a conflict with respect to such valuations as they affect Dwight's compensation. In addition, to the extent Dwight utilizes third-party vendors to perform certain valuation functions, these vendors may have interests and incentives that differ from those of the Advisory Accounts.

Advisory Accounts will generally not be provided investment opportunities sourced by Goldman Sachs businesses other than Dwight. Opportunities not allocated to Advisory Accounts may be undertaken by Goldman Sachs (including Dwight) or other Accounts. Dwight's decisions and actions on behalf of an Advisory Account may differ from those on behalf of other Advisory Accounts. Advice given to, or investment or voting decisions made for, one or more Advisory Accounts may compete with, affect, differ from, conflict with, or involve timing different from, advice given to or investment decisions made for other Advisory Accounts.

Financial Incentives in Selling and Managing Advisory Accounts

Goldman Sachs and its Personnel may receive benefits and earn fees and compensation for services provided to Advisory Accounts and in connection with its distribution of separately managed accounts and pooled vehicles managed by Dwight or its affiliates ("Affiliated Products"). Dwight may have a financial incentive to allocate Advisory Account assets to Affiliated Products rather than to accounts or funds managed by third parties. Any differentials in compensation may create a financial incentive for Dwight and its Personnel to recommend or select advisory products or investment strategies that will result in greater compensation and profit to Dwight and, indirectly, to Personnel.

Firm Policies and Regulatory Restrictions Affecting Advisory Accounts

Dwight may restrict its investment decisions and activities on behalf of an Advisory Account in various circumstances, including as a result of applicable regulatory requirements, information held by Goldman Sachs, Goldman Sachs' internal policies and/or potential reputational risk in connection with Accounts (including Advisory Accounts) and Goldman Sachs. As a result, Dwight might not engage in transactions for, or recommend transactions to, an Advisory Account in consideration of Goldman Sachs' activities outside the Advisory Account. For example, Dwight may restrict or limit the amount of an Advisory Account's investment where exceeding a certain aggregate amount could require a filing or a license or other regulatory or corporate consent, which could, among other things, result in additional costs and disclosure obligations for Goldman Sachs, including Dwight. Dwight may also reduce a particular Advisory Account's interest in an investment opportunity that has limited availability so that other Advisory Accounts that pursue similar investment strategies may be able to acquire an interest in the investment opportunity. In addition, Dwight is not permitted to obtain or use material non-public information in effecting purchases and sales in public securities transactions for Advisory Accounts. Restrictions may be imposed on particular Advisory Accounts and not on other Accounts (including other Advisory Accounts). Dwight may also limit its activities, transactions and its exercise of rights on behalf of an Advisory Account for reputational or other reasons, including where Goldman Sachs is providing, or may provide, advice or services to a company, or to another client that is or may be engaged in a transaction related to such company or is or may be involved in a transaction that could affect Goldman Sachs, Dwight or their activities.

Item 12. Brokerage Practices**BROKER-DEALER SELECTION**

Dwight places orders for the execution of transactions for Advisory Accounts according to its best execution policies and procedures. Best price, giving effect to commissions and commission equivalents, if any, and other transaction costs, is normally an important factor in this decision. When selecting an execution venue, Dwight also takes into account the quality of brokerage services, such as execution capability, timing and speed of execution, responsiveness, creditworthiness and financial stability, clearance and settlement capability, certain other services, and, in certain circumstances, a broker-dealer's willingness to commit capital and the provision of research as described below. Accordingly, transactions will not always be executed at the lowest available price or commission.

Dwight may execute transactions through GS&Co. or other affiliates to the extent consistent with applicable law, with client instruction, and with its duty to seek best execution. When placing orders with any broker, including its affiliates, Dwight may, in accordance with applicable law, give permission for such broker to trade along with or ahead of Advisory Account orders. When acting as agent or principal, Dwight's affiliate will generally charge the

client a commission, mark-up, mark-down, or other commission equivalent. Third-party managers hired by Dwight will have discretionary authority to execute transactions on behalf of clients consistent with best execution.

Counterparty Credit Requirements

An Advisory Account will be required to establish business relationships with its counterparties based on its own credit standing. Goldman Sachs, including Dwight, will not have any obligation to allow its credit to be used in connection with an Advisory Account's establishment of its business relationships, nor is it expected that an Advisory Account's counterparties will rely on the credit of Goldman Sachs in evaluating the Advisory Account's creditworthiness.

RESEARCH AND OTHER SOFT DOLLAR BENEFITS

Trade execution for Advisory Accounts is conducted by GSAMLP personnel who assist Dwight in their advisory responsibilities for Dwight accounts. Trades for Advisory Accounts are conducted in accordance with policies established by Dwight and GSAM. Dwight and GSAMLP personnel may select broker-dealers (including Dwight's affiliates) that furnish Dwight, GSAMLP, Advisory Accounts, their affiliates and personnel involved in decision-making for Advisory Accounts with proprietary or third-party brokerage and research services (collectively, "brokerage and research services") that provide assistance to Dwight in its investment decision-making process. However, Dwight does not pay for such brokerage and research services for Advisory Accounts with "soft" or commission dollars. Since certain GSAMLP personnel will be involved in the day to day management of Dwight Advisory Accounts with "soft" or commission dollars. GSAMLP may engage in brokerage and research services with "soft" or commission dollars.

DIRECTED BROKERAGE

Clients may direct brokerage because they believe it provides them with favorable execution, lower costs and/or other benefits. Clients may direct Dwight to place transactions for their accounts with a particular broker-dealer, including a Dwight affiliate. Absent a client direction, Dwight generally has the discretionary authority to determine and direct execution of portfolio transactions within the client's specified investment objectives without prior consultation with the client on a transaction-by-transaction basis. Some clients may limit Dwight's discretionary authority in terms of the selection of broker-dealers or other terms of brokerage arrangements. From time to time, clients may also retain Dwight on a non-discretionary basis, explicitly requiring that portfolio transactions, including where transactions are executed, be discussed in advance and executed at the client's direction.

Where a client directs the use of a particular broker-dealer, Dwight may be unable to achieve most favorable execution of client transactions and the client may pay more in execution fees than if Dwight were permitted to choose the executing broker-dealer. In such cases, Dwight may not be able to determine the terms of how an order will be handled with such broker-

dealer and may not be able to freely negotiate commission rates, if applicable. In addition, Dwight may not be able to aggregate the client's orders with other client orders, including to reduce transaction costs. As a result, a client's direction that Dwight use a particular broker-dealer may cause a client to receive less favorable net prices than would be the case if Dwight were given discretion to choose the broker-dealer through which to execute the transaction for the client's account. In an effort to achieve orderly execution of transactions, execution of orders for clients that have directed Dwight to use particular broker-dealers may, in certain circumstances, be delayed until after Dwight completes the execution of non-client-directed orders. Orders for clients that have directed Dwight to send all trades to particular broker-dealers similarly may not be allocated with orders for other accounts. When a client has directed the use of a particular broker and has not waived best execution, then trades for the directed client and for non-directed orders must be executed in a manner that over time is reasonable and fair to all clients. For more information relating to Dwight's allocation policies and procedures, please see Item 6, Performance-Based Fees and Side-By-Side Management.

AGGREGATION OF TRADES

Dwight seeks to execute orders for its clients fairly and equitably over time. Dwight follows policies and procedures pursuant to which it may combine or aggregate purchase or sale orders for the same security for multiple Accounts (including Accounts in which Goldman Sachs has an interest) (sometimes called "bunching"), so that the orders can be executed at the same time. Dwight aggregates orders when Dwight considers doing so appropriate and in the interests of its clients generally. In addition, under certain circumstances trades for Advisory Accounts may be aggregated with accounts that contain Goldman Sachs assets. These circumstances may include, without limitation, in developing products that demonstrate client-experience track records; when managing accounts in a commercially reasonable manner for clients (which may be affiliates but are engaging Dwight to act as an independent commercial money manager); or when aggregating will have a de minimis effect on the performance of client accounts (e.g., where the size of the account relative to the size of the market makes aggregation not material). In addition, trade aggregation may effectively occur within an Advisory Account, such as a pooled investment vehicle, in which Goldman Sachs and other Accounts have an interest. The particular procedures followed may differ depending on the particular strategy or type of investment.

When Advisory Account orders are aggregated, the orders will be placed with one or more broker-dealers for execution. When a bunched order is completely filled, Dwight generally will allocate the securities purchased or proceeds of sale pro rata among the participating accounts, then Advisory Account orders are aggregated, the orders based on the purchase or sale order. Adjustments or changes may be made under certain circumstances, such as to avoid odd lots or small allocations or to satisfy account cash flows. If the order at a particular broker-dealer is filled at several different prices, through multiple trades, generally all participating accounts will receive the average price and pay the average commission, subject to odd lots, rounding, and

market practice. There may be instances in which not all Advisory Accounts are charged the same commission or commission equivalent rates in a bunched or aggregated order.

Although it may do so in certain circumstances, Dwight generally does not bunch or aggregate orders for different Advisory Accounts, or net buy and sell orders for the same Advisory Account, if portfolio management decisions relating to the orders are made by separate portfolio management teams, if bunching, aggregating or netting is not appropriate or practicable from Dwight's operational or other perspectives or if doing so would not be appropriate in light of applicable regulatory considerations. For example, time zone differences, separate trading desks or portfolio management processes in a global organization may, among other factors, result in separate, non-aggregated, non-netted executions, with trades in the same instrument being entered for different Advisory Accounts or, in the case of netting, buy and sell trades for the same instrument being entered for the same Advisory Account.

Dwight may be able to negotiate a better price on aggregated trades than on trades for Advisory Accounts that are not aggregated, and incur lower transaction costs on netted trades than trades that are not netted. Where transactions for an Advisory Account are not aggregated with other orders, including directed brokerage accounts, or not netted against orders for the Advisory Account, the Advisory Account may not benefit from a better price. Dwight may also sequence or rotate transactions using allocation policies to determine which type of account is to be traded in which order. Under this policy, each portfolio management team may determine the length of its trade rotation period and the sequencing schedule for different categories of clients within this period, provided that the trading periods and these sequencing schedules are designed to be fair and equitable over time. For example, some portfolio management teams may base their trading periods and rotation schedules on the relative amounts of assets managed for different client categories (e.g., unconstrained client accounts, etc.).

Within a given trading period, the sequencing schedule establishes when and how frequently a given client category will trade first in the order of rotation. Dwight may deviate from the predetermined sequencing schedule under certain circumstances when justified. In addition, a portfolio management team may provide instructions simultaneously regarding the placement of a trade in lieu of the predetermined sequencing schedule if the trade represents a relatively small proportion of the average daily trading volume of the particular security.

Item 13. Review of Accounts

GENERAL DESCRIPTION

Senior members of Dwight's portfolio management teams periodically review Advisory Accounts. They conduct the review either individually or in a group, depending upon account needs and market conditions. These reviews include a review of the account's performance,

investment objectives, security positions and other investment opportunities. In addition, the supervisors of personnel involved in decision-making for Advisory Accounts monitor the performance of the Advisory Accounts. Additional reviews may be undertaken at the discretion of Dwight.

FACTORS TRIGGERING A REVIEW

In addition to periodic reviews, Dwight may perform reviews of separately managed accounts as it deems appropriate or as otherwise required. Additional reviews may be undertaken for reasons including changes in market conditions, liquidity activity, maturity reinvestment, changes in security positions or changes in a client's investment objective or policies.

CLIENT REPORTS

Dwight provides advisory clients who have separately managed accounts with reports on a quarterly basis or more frequently upon agreement between Dwight and the client, which are typically available through client-dedicated web access. These reports generally include, among other things, a summary of all activity in the account, including all purchases and sales of securities and any debits and credits to the account, a summary of holdings including a portfolio valuation, and the change in value of the account during the reporting period. Investors in Dwight-managed private pooled investment vehicles generally receive annual reports and other periodic reports.

Item 14. Client Referrals and Other Compensation

COMPENSATION FOR CLIENT REFERRALS

From time to time, Dwight may make cash payments for client referrals to persons other than employees of Dwight and its affiliates pursuant to applicable laws, including Rule 206(4)-3 under the Advisers Act, when applicable. In addition, from time to time, Dwight may also compensate employees of Dwight and its affiliates for client referrals pursuant to applicable laws.

Intermediaries and Other Third Parties

Goldman Sachs or the Advisory Accounts may make payments to authorized dealers and other financial intermediaries and to salespersons (collectively, "Intermediaries") to promote the Advisory Accounts or other products. These payments may be made out of Goldman Sachs' assets or amounts payable to Goldman Sachs. These payments may create an incentive for an Intermediary to highlight, feature or recommend Advisory Accounts. Subject to applicable law and regulations, such payments may compensate Intermediaries for, among other things: marketing the Advisory Accounts and other products (which may consist of payments resulting

in or relating to the inclusion of Advisory Accounts and other products on preferred or recommended fund lists or in certain sales programs sponsored by the Intermediaries); access to the Intermediaries' registered representatives or salespersons, including at conferences and other meetings; assistance in training and education of Personnel; fees for directing investors to the Advisory Accounts and other products; "finders fees" or "referral fees" or other fees for providing assistance in promoting the Advisory Accounts and other products (which may include promotions in communications with the Intermediaries' customers, registered representatives and salespersons); various noncash and cash incentive arrangements to promote certain products, as well as sponsor various educational programs, sales contests and/or promotions; travel expenses, meals, lodging and entertainment of Intermediaries and their salespersons and guests in connection with educational, sales and promotional programs; sub-accounting, administrative and/or shareholder processing or other investor services that are in addition to the fees paid for these services by the Advisory Accounts or products; and other services intended to assist in the distribution and marketing of the Advisory Accounts and other products.

These payments may differ by Intermediary and are negotiated based on a range of factors, including but not limited to, ability to attract and retain assets, target markets, customer relationships, quality of service and industry reputation.

Goldman Sachs may have relationships with, and purchase, or distribute or sell, services or products from or to, distributors, consultants, and others who recommend Advisory Accounts, or who engage in transactions with or for Advisory Accounts. Consultants and such other parties may receive fees from Goldman Sachs or Advisory Accounts in connection with such relationships. Goldman Sachs may also pay a fee for membership in industry-wide or state and municipal organizations or otherwise may help sponsor conferences and educational forums for investment industry participants including, but not limited to, trustees, fiduciaries, consultants, administrators, state and municipal personnel and other clients. Goldman Sachs' membership in such organizations allows Goldman Sachs to participate in these conferences and educational forums and helps Goldman Sachs interact with conference participants and to develop an understanding of the points of view and challenges of the conference participants. Personnel, including employees of Dwight, may have board, advisory, brokerage or other relationships with issuers, distributors, consultants and others that may have (or have interests in) Advisory Accounts or that may recommend Advisory Accounts or portfolio transactions for Advisory Accounts. As a result of these relationships and arrangements, consultants, distributors and other parties may have conflicts associated with their promotion of Advisory Accounts or other dealings with Advisory Accounts that create incentives for them to promote Advisory Accounts or portfolio transactions. Goldman Sachs, including Dwight, and its Personnel may make charitable contributions to institutions, including those that have relationships with clients or personnel of clients and Personnel may have board relationships with charitable institutions. Personnel may also make political contributions to clients. The individuals and entities with which Dwight and its Personnel have these relationships may have (or have an interest in) or recommend Advisory Accounts.

Item 15. Custody

Dwight does not hold client assets. Client funds and securities are held by a qualified custodian appointed by clients pursuant to a separate custody agreement, or are held by the clients themselves. However, under the Advisers Act, Dwight may be “deemed” to have custody of client assets under certain circumstances, including where clients maintain assets at a bank, broker-dealer, futures commission merchant or other qualified custodian affiliated with Dwight, where Dwight debits its fees directly from the Advisory Account, or where Dwight purchases privately offered securities on behalf of the Advisory Account. Clients will receive account statements directly from their custodian and should carefully review those statements. In addition, clients are urged to compare the account statements that they receive from their qualified custodian with any that they receive from Dwight.

Item 16. Investment Discretion

Dwight accepts discretionary authority to manage securities accounts on behalf of clients. Clients are required to sign an investment advisory agreement that authorizes Dwight to supervise and direct the investment and reinvestment of assets in the Advisory Account, with discretion on the client’s behalf and at the client’s risk. Dwight’s discretionary authority is limited by the terms of its investment advisory agreements and the investment guidelines agreed between Dwight and each client. The investment guidelines or other account documents generally include any limitations a client may place on Dwight’s discretionary authority, including any reasonable restrictions on the securities and other financial instruments in which Dwight is authorized to invest. The terms of Stable Value Contracts impose investment restrictions on Dwight’s management of separate accounts or commingled fund accounts and on third-party managers that are generally more restrictive than those imposed by clients or that would otherwise apply. These restrictions may serve to limit the scope or types of investments that Dwight might otherwise include within an account. For additional information about risks related to Dwight’s discretionary authority, please see Item 6, Performance-Based Fees and Side-By-Side Management.

Item 17. Voting Client Securities

Since Advisory Accounts are typically invested in fixed income securities, Dwight does not generally receive requests for proxy votes. To the extent applicable, the following processes and procedures apply to proxy solicitations relating to Advisory Accounts.

PROXY VOTING POLICIES – AUTHORITY TO VOTE

For Advisory Accounts for which Dwight has voting discretion, Dwight has adopted policies and procedures (the “Proxy Voting Policy”) for the voting of proxies. Under the Proxy Voting Policy,

Dwight's guiding principles in performing proxy voting are to make decisions that favor proposals that in Dwight's view tend to maximize investor value and are not influenced by conflicts of interest. To implement these guiding principles, Dwight has developed customized proxy voting guidelines (the "Guidelines") that it generally applies when voting on behalf of Advisory Accounts. The Proxy Voting Policy, including the Guidelines, is reviewed periodically to ensure it continues to be consistent with the guiding principles. Voting decisions with respect to client investments in fixed income securities generally will be made by Dwight based on its assessment of the particular transactions or other matters at issue.

From time to time, Dwight may face regulatory, compliance, legal or logistical limits with respect to voting securities that it may purchase or hold for Advisory Accounts which can affect Dwight's ability to vote such proxies, as well as the desirability of voting such proxies. Among other limits, federal, state, foreign regulatory restrictions or company specific ownership limits, as well as legal matters related to consolidated groups, may restrict the total percentage of an issuer's voting securities that Dwight can hold for clients and the nature of Dwight's voting in such securities. Dwight's ability to vote proxies may also be affected by, among other things: (i) late receipt of meeting notices; (ii) requirements to vote proxies in person; (iii) restrictions on a foreigner's ability to exercise votes; (iv) potential difficulties in translating the proxy; (v) requirements to provide local agents with unrestricted powers of attorney to facilitate voting instructions; and (vi) requirements that investors who exercise their voting rights surrender the right to dispose of their holdings for some specified period in proximity to the shareholder meeting.

Dwight has adopted policies and procedures designed to prevent conflicts of interest from influencing proxy voting decisions that Dwight makes on behalf of advisory clients, including the Advisory Accounts, and to help ensure that such decisions are made in accordance with Dwight's fiduciary obligations to its clients. These policies and procedures include Dwight's use of the Guidelines, recommendations from any proxy service that may be retained to perform proxy voting-related functions, an override approval process, and the establishment of information barriers where appropriate. Notwithstanding such proxy voting policies and procedures, actual proxy voting decisions of Dwight may have the effect of benefitting the interest of other clients of Dwight and/or its affiliates, provided that Dwight believes such voting decisions to be in accordance with its fiduciary obligations.

Client Directed Votes

Dwight clients who have delegated voting responsibility to Dwight with respect to their Advisory Account may from time to time contact their client representative if they would like to direct Dwight to vote in a particular solicitation. Dwight will use its commercially reasonable efforts to vote according to the client's request in these circumstances, and cannot provide assurances that such voting requests will be implemented.

Clients can obtain information regarding how securities were voted for a particular Advisory Account by calling their Dwight representative. Dwight's Proxy Voting Policy is available upon request.

Class Actions and Similar Matters

With respect to shareholder class action litigation and similar matters, Dwight's separate account clients are encouraged to contact their custodians and ensure that they receive notices and are aware of the participation and filing requirements related to class action and similar proceedings. Dwight generally will not make any filings in connection with any shareholder class action lawsuits and similar matters involving securities held or that were held in separate accounts for clients, and will not be required to notify custodians or clients of shareholder class action lawsuits and similar matters. Dwight will not be responsible for any failure to make such filings or, if it determines to make such filings in its sole discretion, to make such filings in a timely manner.

With respect to bankruptcies involving issuers of securities held in separate accounts, Dwight as investment manager may in its discretion participate in bankruptcy proceedings, make investment-related elections and join creditors committees on behalf of some or all of its clients. Although Dwight may participate in such proceedings and join such committees on its separate account clients' behalf in its discretion, it is not obligated to do so.

PROXY VOTING POLICIES – NO AUTHORITY

As noted above, Dwight is not delegated proxy voting authority on behalf of all of its Advisory Accounts. With respect to those Advisory Accounts for which Dwight does not conduct proxy voting, clients should work with their custodians to ensure they receive their proxies and other solicitations for securities held in their Advisory Account. Clients may contact their Dwight client service representative if they have a question on particular proxy voting matters or solicitations.

Item 18. Financial Information

This item is not applicable.

Item 19. Miscellaneous

ACCOUNT ERRORS AND ERROR CORRECTION

Dwight has policies and procedures to help it assess and determine, consistent with applicable standards of care, as well as client documentation, when reimbursement is due by it to a client because Dwight has committed an error. Pursuant to Dwight's policies, an error is generally

compensable from Dwight to a client when it is a mistake (whether an action or inaction) in which Dwight has, in Dwight's reasonable view, deviated from the applicable standard of care in managing the client's assets, subject to materiality and other considerations set forth below. Consistent with the applicable standard of care, Dwight's policies do not require perfect implementation of investment management decisions, trading, processing or other functions performed by Dwight or its affiliates. Therefore, not all mistakes will be considered compensable errors. For example, without limitation, imperfection in the implementation of investment, execution, cash flow, rebalancing or processing instructions are generally not considered by Dwight to be violations of standards of care. Errors resulting from the mistakes of third parties are generally not compensable from Dwight to a client. Mistakes may result in gains as well as losses. Dwight may determine that trading and other mistakes will be treated as being for a client's account (i.e., clients will bear the loss or benefit from the gain). In certain circumstances, however, Dwight may determine that it is appropriate to reallocate or remove gains from the client's account that are the result of a mistake.

Dwight makes its determinations pursuant to its error policies on a case-by-case basis, in its discretion, based on factors it considers reasonable. Relevant facts and circumstances Dwight may consider include, among others, specific applicable contractual and legal restrictions and standards of care, whether a client's investment objective was contravened, the nature of a client's investment program, whether a contractual guideline was violated, the nature and materiality of the relevant circumstances, and, if a compensable error occurred, the materiality of the resulting losses. The determination by Dwight to treat (or not to treat) a mistake as a compensable error, and any calculation of compensation in respect thereof for any one fund or account sponsored, managed or advised by Dwight may differ from the determination and calculation made by Dwight in respect of one or more other funds or accounts in respect of which the same or a similar mistake occurred.

When Dwight determines that reimbursement by Dwight is appropriate, the client will be compensated as determined in good faith by Dwight. Dwight will follow what it considers reasonable guidelines regarding these matters in light of all of the facts and circumstances related to an error. In general, compensation is expected to be limited to direct and actual losses, which may be calculated relative to comparable conforming investments, market factors and benchmarks and with reference to other factors Dwight considers relevant. Compensation generally will not include any amounts or measures that Dwight determines are speculative or uncertain, including potential opportunity losses resulting from delayed investment or sale as a result of correcting an error or other forms of consequential or indirect losses. Dwight expects that, subject to its discretion, losses will be netted with an account's gains relating to errors and will not exceed amounts in relation to an appropriate replacement investment, benchmark or other relevant product returns. Losses may also be capped at the value of the actual loss, particularly when the outcome of a differing investment would in Dwight's view be speculative or uncertain or in light of reasonable equitable considerations. As a result, error compensation is expected to be limited to the lesser of actual losses or losses in relation to comparables. Furthermore, Dwight expects to follow a materiality policy with respect to client accounts.

Therefore, in certain circumstances, mistakes that result in losses below a threshold will not be compensable. Dwight may also consider whether it is possible to adequately address a mistake through cancellation, correction, reallocation of losses and gains or other means.

In general it is Dwight's policy to notify clients of errors corrected post-settlement that violate a client guideline and certain errors that result in a loss. Separate account clients will not be notified of other errors or of errors that result in losses of less than \$1,000. Investors in a pooled investment vehicle will generally not be notified of the occurrence of an error or the resolution thereof.

More information about correction of and compensation for errors is available upon request and may be set forth in the prospectuses or other relevant offering documents of Dwight-managed pooled investment vehicles. Dwight may at any time, in its sole discretion and without notice to investors, amend or supplement its error and error correction policies.