

These Terms and Conditions govern your investment in the Plan through the Stocks and Shares ISA account.

### 1. Definitions

**'Account Number'** means the unique reference number given to every Nominee Account;

**'Averaging Date'** means, with respect to the each Index, the one day in each month (which shall be the same calendar day as the Investment Date) and on which that Index is calculated and published, for a period of one year up to and including the final Averaging Date, such final date falling prior to the Maturity Date. For the avoidance of doubt, there shall be 13 consecutive Averaging Dates;

**'Brochure'** means 'The Capital Protected Investment Plan 2 UK Balanced Sector' brochure which describes the Plan including the investment aims and associated risks and is available from the ISA Manager on request;

**'Business Day'** means any day (other than a Saturday and Sunday) on which we are open for business;

**'Cash ISA'** means a Cash Individual Savings Account;

**'Cell'** means the relevant cell of Defined Investments PCC, acting through its office at 22 Grenville Street, St Helier, Jersey JE4 8PX, Channel Islands;

**'Company'** means Defined Investments PCC incorporated in Jersey with its office at 22 Grenville Street, St Helier, Jersey JE4 8PX, Channel Islands;

**'Final Index Level'** means the average of the closing levels of the Index on the Averaging Dates;

**'FSA'** means the Financial Services Authority;

**'FSA Rules'** means the rules made by the FSA which apply to the services provided to you under this Plan, as amended from time to time;

**'Group'** means The Royal Bank of Scotland Group;

**'Index' or 'Indices'** means an index or indices which may be used as a benchmark for calculating growth for an investment fund;

**'Initial Index Level'** means the level of the Index on the Investment Date;

**'Investment'** means your share purchase monies, including any interest earned on your share purchase monies in accordance with condition 4, and, following your purchase, Shares in the Plan held in your Nominee Account via the Nominee Service by you on these Terms and Conditions;

**'Investment Date'** means the date on which the Shares are issued by the Cell;

**'ISA'** means a Stocks and Shares Individual Savings Account unless otherwise specified;

**'ISA Manager'** means National Westminster Bank Plc at the NatWest ISA Office, Princess House, 27 Bush Lane, London EC4R 0AA;

**'ISA Package'** means an ISA under these Terms and Conditions as provided by the Regulations and subscribed to by you;

**'Maturity Date'** means the date when the Shares are redeemed;

**'Multilateral Trading Facility'** means a multilateral system operated by an investment firm or market operator which brings together multiple third party buyers and sellers in financial instruments, in accordance with non-discretionary rules, in a way that results in a contract;

**'NatWest'** means National Westminster Bank Plc;

**'NatWest ISA Office'** means the NatWest office at Princess House, 27 Bush Lane, London EC4R 0AA;

**'Nominee Account'** means the client account we open for you in order for you to have access to the Nominee Service;

**'Nominee Service'** means the nominee custody service as described in the Terms and Conditions of the Capital Protected Investment Plan 1 Navigator – Nominee Service;

**'Offer Period'** means the specified period prior to the Investment Date during which Shares in the investment may be purchased and which is clearly set out in the Brochure;

**'Plan'** means the Capital Protected Investment Plan;

**'Plan Manager'** means National Westminster Bank Plc;

**'Prospectus'** means the prospectus in respect of the offer of the Shares consisting of the relevant Summary and Securities Note dated 25 March 2010, as supplemented and the Registration Document dated 25 March 2010, which is available from the Plan Manager or [www.rbs.com/structuredfunds](http://www.rbs.com/structuredfunds);

**'RBS'** means The Royal Bank of Scotland plc;

**'Redemption Amount'** means the amount payable for each Share according to the articles of association of the Cell and Prospectus;

**'Registration Document'** means the registration document of the Company, forming part of the Prospectus as updated from time to time;

**'Regulated Market'** means a multilateral system operated and/or managed by a market operator such as the London Stock Exchange which brings together multiple third party buying and selling interests in financial instruments in a way that results in a contract in respect of financial instruments admitted to trading under its rules and/or systems, and which is authorised and functions regularly;

**'Regulations'** means the Individual Savings Account Regulations 1998, as amended or re-enacted from time to time and any applicable regulations and statutes;

**'Shares'** means the preference shares issued by the Cell and held in the ISA Package from time to time on your behalf;

**'Stocks and Shares ISA'** means a Stocks and Shares Individual Savings Account;

**'Terms and Conditions'** means these Terms and Conditions of the ISA Package;

**'We,' 'us,' 'our'** means National Westminster Bank Plc, the ISA Manager;

**'You'** and **'your'** means the person on whose behalf the ISA Package is opened and who is named as the applicant in the application form.

### 2. Introduction

- You should read these Terms and Conditions along with the other information in the Brochure and the application form for 'Capital Protected Investment Plan Nominee Service (Non-ISA) and/or ISA', which together make up the contract between you and us in respect of the ISA Package.
- The services covered by these Terms and Conditions are only available to individuals over 18 years of age. For the purposes of the FSA Rules, participants will be classed as retail clients.
- By requesting us to open an ISA Package you agree to be bound by these Terms and Conditions.
- You appoint us to administer your ISA Package in accordance with the Regulations. We may delegate any of our functions or responsibilities under this agreement provided we are satisfied that the person we delegate to is competent to carry them out.
- You will inform us immediately if you cease to be eligible to invest via an ISA.
- National Westminster Bank Plc is authorised and regulated by the Financial Services Authority in the conduct of investment business. The ISA Manager is approved by HM Revenue & Customs as an ISA manager under the Regulations.

### 3. Your Application

- Although we do reserve the right to reject an application:
  - We will open your ISA Package only when we have received a correctly completed application form and valid share purchase.
  - For a new ISA application, we must receive your application form before the close of the Offer Period. You can make payment by cheque or direct from an existing NatWest account. All payments to us must be from your own resources and we reserve the right to satisfy ourselves of this. Payments in cash are not accepted. You cannot make further contributions into the Plan after the end of the Offer Period.
  - The minimum total single payment into the Plan is £20,000, all or part of which may be made held within an ISA (for details of ISA allowances, please see the Brochure). If you invest less than £20,000 in an ISA Package, you will need to invest additional funds in the Plan through a Nominee Account in order to meet the minimum investment level for the Plan. Any new ISA subscriptions will be subject to the annual ISA subscription limits. For further information please see the Brochure.
  - If we cannot invest your payment for you because all our requirements have not been met, it will be returned to you with an explanation.
- For a new ISA subscription, once we have accepted your application a contract is formed between you and us, these Terms and Conditions come into force and we will open your ISA Package. We will invest your share purchase monies in the Plan on the Investment Date.
- We reserve the right to terminate the Plan before the Investment Date, without notice, if insufficient client funds are raised. In the event of a termination we will write to you to inform you of your options.
- We reserve the right to close the Plan without notice during the Offer Period and decline to accept any further applications.

### 4. Cash Held

- Money, which we hold on your behalf, will be held by us as banker and not as trustee (or in Scotland as agent) and, as a result, the money will not be held in accordance with the FSA's client money rules.
- Interest will be paid on any money held by us on your behalf. This will be at the Bank of England base rate at that time plus 0.5%.
- Interest will start to be paid from the 4th Business Day the share purchase payment is received by us and until 3 Business Days before the Investment Date.
- Any interest paid during this time will be added to your Investment and invested on the Investment Date.
- Interest paid on cash held in a Stocks and Shares ISA will be subject to a statutory flat rate charge of 20%, which will be paid by us to HM Revenue & Customs. The amount deducted is not classed as tax, is not repayable to non-tax payers and is not declared on your tax return.

### 5. Transferring your ISAs to us

- You may transfer to us Stocks and Shares ISAs that are managed by any ISA manager. Transfers will only be accepted in the form of payments by cheque from your previous ISA manager.
- Cash ISA transfers may not be accepted into all Plans, and you should check the brochure to confirm if these transfers are accepted into the Plan in which you wish to invest.
- All application forms for transfers in from existing Stocks and Shares ISAs must be completed and received at the NatWest ISA Office 20 Business Days before the end of the Offer Period. Your ISA Package will not be opened until we have received the ISA transfer monies from your current ISA manager.

- d) All payments must be received from your current ISA manager 5 Business Days before the Investment Date, to be included in the Investment. Any initial subscription payments received after this date will be returned to the previous ISA manager and the ISA will be effectively cancelled.
- e) We will not accept responsibility, nor will we be liable for, initial subscription payments not received from another ISA manager 5 Business Days before the Investment Date.
- f) Any payments received from a previous ISA manager after the transfer of an ISA into your ISA Package will be accepted and invested in your ISA Package provided they arrive 5 Business Days before the Investment Date. Any such payments received after this time will be returned to the previous ISA manager for payment directly to you.
- g) No partial transfers will be accepted.

#### 6. ISA Transfers Out

- a) You may transfer all of your Investment only, to another ISA manager, at any time by providing us with written instructions to transfer in accordance with condition 6(c).
- b) Either the cash value of the ISA Package in the case of a transfer pursuant to condition 6(c)(1) or the Shares in the case of a transfer pursuant to condition 6(c)(2) can be transferred to another ISA manager. The new ISA manager will have to provide us with your written authority for the transfer before it can take place. We do not make any charge for the transfer.
- c) If you wish to transfer your Investment you must provide us with written notice of your wishes – either (1) to instruct us to seek to arrange for the sale of all your Shares and to transfer the entire cash proceeds of such investment to another ISA manager; however, if we cannot arrange such a sale at a price that reasonably reflects the value of the investment (recognising that any sale price will only represent the amount a potential purchaser is willing to pay which may not equate with the net asset value of the Shares), we may at our discretion treat your request as a request to transfer Shares from the Plan to the same ISA manager in accordance with 6(c)(2); or (2) to instruct us to transfer all of your Shares from the Plan to another ISA manager, in which case you, or such manager, will be responsible for arranging adequate alternative nominee, custody or other holding services in respect of such Shares.
- d) If you request a transfer of your investment to another ISA Manager in accordance with condition 6(c)(1) before the Maturity Date, the value of the Investment that is transferred may be less than you have invested in your ISA Package as the value of your Investment will be determined by the price obtained for the sale of the Shares.
- e) On receipt of your written instructions to transfer the ISA Package pursuant to 6(c)(1) or (2) and within such time as stipulated by you in those transfer instructions (subject to the reasonable business period, not exceeding 30 days, which we require for the practical implementation of the instructions) the cash proceeds or Shares, with all rights and obligations of the parties to it, shall be transferred to another ISA manager.

#### 7. Withdrawal

- a) You may withdraw some or all of your Investment at any time by providing us with written instructions to withdraw in accordance with condition 7(d). If you withdraw less than your total Investment in the Plan, the remaining value of your Investment in the Plan after the withdrawal (including any investment you may have through the Plan Nominee Service) must meet the minimum investment level for the Plan as detailed in the Brochure.
- b) You can withdraw from the Plan by indicating the number of Shares you wish to withdraw. You must withdraw a set number of Shares. This is a minimum of 1,000 Shares and they can only be withdrawn in blocks of 1,000 Shares.
- c) If you withdraw all of your Investment this will have the effect of terminating the ISA Package. If you withdraw all or part of your Investment before the Maturity Date, pursuant to condition 6(d)(2), you may get back less than you invested as the value of your Investment will be determined by the price obtained for the sale of the Shares.
- d) If you wish to withdraw some or all of your Investment you must provide us with written notice of your wish either to (1) withdraw some or all the Shares from the Plan, in which case you will be responsible for arranging adequate alternative nominee, custody or other holding services in respect of such Shares and such Shares will cease to be held within an ISA from such time; or (2) to instruct us to arrange for the sale of some or all such Shares and to pay the cash proceeds to you, however, if we cannot arrange such a sale at a price that reasonably reflects the value of the investment (recognising that any sale price will only represent the amount a potential purchaser is willing to pay which may not equate with the net asset value of the Shares), we may treat your withdrawal request as a request to withdraw Shares as described at (1).
- e) You must provide us with written notice of your instruction to withdraw all or part of your Investment by close of business at 5pm, two days before any dealing day for the Plan. The dealing days are the fifteenth day of each month (or where this falls on a day that is not a Business Day, the following Business Day), and the final Business day of each month.
- f) On receipt of your written instructions to withdraw all or part of your Investment and within such time as stipulated by you in those withdrawal instructions (subject to the reasonable business period, not exceeding 30 days, which we require for the practical implementation of the instructions) ISA investments, interest, dividends, rights or other proceeds in respect of the investments or any cash will be transferred or paid to you.

- g) Withdrawing all or part of your Investment from the ISA Package will not affect any of your rights or obligations arising before, during or after the date of such withdrawal or which arise as a result of such withdrawal or which relate to our provision of the Nominee Service to you and all such rights and obligations shall continue to be subject to the Terms and Conditions applying at the time of the withdrawal.
- h) Where we have arranged a secondary sale of all or part of your Investment as described at condition 7(d)(2), this will be sold in accordance with the provisions relating to the secondary market sale of the Shares as mentioned and in the case of instructions pursuant to 7(d)(2), payment of the sale proceeds will be made to your chosen UK bank or building society account by direct credit or by cheque payable to you within a period, not exceeding 30 days, which we require for the practical implementation of the instructions.

#### 8. Termination

- a) You may terminate your ISA Package by giving notice to us in writing, of your wish to withdraw all of your Investment pursuant to condition 7 (c) it will be effective on receipt but will not affect any transactions already initiated. If you terminate your ISA Package after the cancellation period, but before the Maturity Date you may get back less than you invested. Your ISA Package will be terminated in accordance with the procedure detailed in condition 7(e).
- b) We reserve the right to terminate your ISA Package by giving 30 days prior written notice. We are obliged to terminate your ISA Package immediately having given notice if we are of the opinion that it is impossible to administer it in accordance with the Regulations.
- c) In the event that we intend to stop acting as ISA Manager, the Investment will be redeemed following the giving of 90 days' prior written notice to you. You may then transfer the ISA to another ISA manager.
- d) As soon as practicable following termination of these Terms and Conditions the Nominee will transfer your Shares from the Nominee Account into your name on the register of shareholders or we shall take such other steps as we consider appropriate to transfer your Shares to you or a nominee, custodian, or other person to hold on your behalf.
- e) We reserve the right to withdraw any Plan prior to the Investment Date without notice. We will notify you of any decision to withdraw a Plan in writing at the earliest opportunity and we will inform you of your options.

#### 9. Cancellation

You have the right to cancel your application within 14 days after receiving notice from us of your cancellation rights provided that such notice is received by us before the end of the Offer Period. If you exercise your right to cancel, any money paid to us will be repaid subject to deduction of the amount of any interest earned since your investment was received. If you do exercise the right to cancel an ISA transferred from another ISA manager you may not have the right to reinstate your ISA with your previous ISA manager and all future tax benefits, which would otherwise have been attached to the ISA Package, may be lost.

#### 10. Best execution

- 10.1 In accordance with Financial Services Authority rules, we have implemented an order execution policy which sets out the reasonable steps that we will take in order to obtain the best possible result for our clients (the 'Execution Policy'). Information on the Execution Policy is summarised below. You agree that the terms of the Execution Policy will apply where we are executing orders on your behalf.
- 10.2 When executing orders on your behalf, we will take all reasonable steps to obtain the best possible result for you by taking into account a number of factors including price, costs, speed, likelihood of execution and settlement size, nature and any other consideration which we believe is relevant. We will ordinarily give the price and costs relating to the execution of your order the highest priority in obtaining the best result for you, although there may be circumstances where we reasonably determine that another factor is more important.
- 10.3 An 'Execution Venue' means a Regulated Market, a Multilateral Trading Facility, a firm that executes orders off its own book, a market maker, or other liquidity provider (or any entity outside the European Economic Area which performs a similar function to any of these). A list of Execution Venues and parties who may execute orders will be available on request. This list is not exhaustive but it comprises those Execution Venues on which we place significant reliance. We reserve the right to use another Execution Venue where we consider that it is appropriate, in the light of our Execution Policy, and we may from time to time add or remove an Execution Venue from this list. We will regularly assess the Execution Venues available in respect of any products that we trade, to identify those that will enable us, on a consistent basis, to obtain the best possible result when executing orders. We will update the list of Execution Venues, if this is necessary, after such review. Other than by updating the website, we will notify you of any changes to the Execution Venues, and you are advised to consult this list from time to time.
- 10.4 When you provide us with a specific instruction as to the execution of an order that cannot be carried out in accordance with our Execution Policy, our Execution Policy may not apply and we will execute your order in accordance with your specific instructions.
- 10.5 From time to time, we may execute your order outside a Regulated Market or Multilateral Trading Facility. Such transactions may accordingly not be subject to the same investor protection standards.

- 10.6 We may transmit an order that we receive from you to various third parties for execution. A list of Execution Venues and parties who may execute orders will be available on request. In doing so, we must act in your best interests and comply with Condition 10.5 above.
- 10.7 We will monitor compliance with our Execution Policy and we will review the effectiveness of our Execution Policy at least annually. Whenever a material change occurs that affects our ability to obtain the best possible result for our clients, we will amend the Execution Policy as appropriate. We will let you know if we make any material changes to the Execution Policy by publishing details on our website.
- 10.8 You may request in writing that we demonstrate to you that your orders have been executed in accordance with our Execution Policy. We will use reasonable endeavours to deal with such a request within 20 Business Days. However, if we are unable to satisfy your request within such a timescale, we will write to you informing you of the reason for the delay and confirming when you can expect to receive a response.

#### 11. Charges and Expenses

- a) There are no additional charges for the administration of the ISA Package and all fees for the plan are outlined in the Brochure.
- b) We may charge for the issue of duplicate documentation. We will tell you about the charges for this before we provide the service and at any time you ask.

#### 12. Distribution of Income

The Plan does not distribute income and therefore there will be no income during the investment period of your ISA Package.

#### 13. Taxation of the Individual

All capital growth produced by your ISA Package is free of any further UK income and Capital Gains Tax. Capital gains produced by your ISA Package need not be declared on your tax return. Although ISAs are tax efficient investments for individuals, the Plan may have already paid such taxes as income tax, corporation tax or withholding tax where applicable.

#### 14. How we hold your Investments

- a) The investments held in your ISA Package will be registered in the name of our nominee:  
NatWest PEP Nominees Limited (NPNL), a wholly owned non-trading subsidiary of NatWest. NPNL will only accept instructions to hold or release investments from us.
- b) You are and must remain the beneficial owner of the investments in your ISA Package.
- c) NPNL may hold your Investment under specific and/or general pooling arrangements which may mean that your entitlement to Shares may not be identifiable by separate certificates or other physical documents of title or equivalent electronic records. It is possible that any shortfall arising on the default of NPNL may be shared proportionately between you and other persons on whose behalf NPNL holds Investments.
- d) Your Investment will not be lent to third parties and must not be used as security for loans.
- e) Share certificates or other documents evidencing title to the Investments will be held by us or as we may direct.
- f) You agree to provide promptly in connection with your holding of Shares any information which the ISA Manager administrator is entitled to request in respect of the Shares.

#### 15. Company Information and Voting Rights

If you choose we will arrange the following:

- a) for copies of the Cell's annual and non-audited interim accounts to be sent to you; and/or
- b) any other information issued to shareholders in the Company;
- c) for you to be given the opportunity to attend and vote at meetings of the preference shareholders of the Cell.

#### 16. Death

- a) Your ISA Package will cease to qualify for ISA tax exemption under the Regulations from the date of your death. The investment will continue pending instructions from the legal representative of your estate. If the legal representative of your estate instructs us to sell your Investment, we will take steps to sell such Shares; however, if we cannot arrange such a sale at a price that reasonably reflects the value of the Investment (recognising that any sale price will only represent the amount a potential purchaser is willing to pay which may not equate with the net asset value of the Shares), we may treat such instruction as a request for the Shares to be transferred into a beneficiary's name (in which case we will seek the legal representative's instructions as to which beneficiary the Shares should be transferred to). The proceeds of your Investments will be paid by cheque and this will be posted to your legal representatives within 4 Business Days of settlement of the sale of the Investments that were held within your ISA Package. If the legal representative of your estate instructs us to transfer your Investment into a beneficiary's name such a beneficiary will hold the Investment directly in their own name and not through the Nominee Service. More information on this option is available from the ISA Manager on request. These Terms and Conditions are binding on your legal representatives.
- b) We will need to see the Death Certificate and Grant of Representation (or Scottish equivalent) before we can act on administrators' or executors' instructions.

#### 17. On Maturity

On the Maturity Date the Shares issued by the Cell and held in the ISA Package will be redeemed. We will write to you before the Maturity Date to inform you of your options. On maturity your Investment and any growth will be retained subject to receiving instruction from you. If no instruction is received, your funds will be held by us until we receive instruction from you. You will not earn any interest on these funds and any ISAs will be held as cash within a Stocks and Shares ISA. Any funds held by us after the Maturity Date which we hold on your behalf, will be held by us as banker and not as trustee (or in Scotland as agent) and, as a result, the money will not be held in accordance with the FSA's client money rules.

#### 18. Liabilities

We are responsible for any loss incurred as a result of our fraud or wilful neglect.

#### 19. Disclosing Information to the Authorities

We can disclose, or allow to be disclosed, any information relating to you or your ISA Package to any relevant authority, such as the Channel Islands Stock Exchange, HM Revenue & Customs or the FSA. We can do this even if the law does not require it. We are not liable for closures caused by such a disclosure and are bound to act in good faith.

#### 20. Amendment

- a) We may vary these Terms and Conditions by giving you 30 days' prior written notice;
- b) By subscribing for an ISA Package you agree that we may transfer our responsibilities under these Terms and Conditions to any entity which is an approved ISA manager in accordance with the Regulations, where that entity notifies you and agrees to carry out all duties and obligations relating to your ISA Package. You agree that in such circumstances we will be released from all our duties and obligations under these Terms and Conditions. We shall satisfy ourselves that any new ISA manager is competent to carry out those duties and obligations delegated or transferred to it.

#### 21. Keeping you informed

- a) We will provide you with a contract note following the investment of your share purchase payment on the Investment Date.
- b) We will provide you with an ISA statement every 6 months. Please note that the timing of your first statement is dependant on the issue date of Shares in which the Plan first invests and may not be issued within 6 months. This, together with your statements for any non-ISA investment in the Plan, will show the content and value of your Investment, as well as the essential details of all transactions since the previous statement. If requested in writing we may supply you with duplicate or additional statements.
- c) You should check any statement which you receive from the ISA Manager and if you have any query or concern in relation to the matters disclosed you should contact the ISA Manager as soon as possible.

#### 22. Void Accounts

We will inform you in writing if your ISA Package has, or will become void because we, or you, have failed to comply with the Regulations. If you fail to comply with the Regulations, we reserve the right to make a charge to you for voiding the ISA Package.

#### 23. Communications; Change of Details

- a) You should send any notices (including cancellation notices), following discussion regarding feasibility of cancellation, instructions or requests for further information, to us at:  
NatWest ISA Office  
Princess House  
27 Bush Lane  
London  
EC4R 0AA  
Tel: 0845 601 5600

Calls may be recorded

- b) We will send any notices or other correspondence to the address you have given in your application form, or to a new permanent residential address provided you have notified us in writing of the change.
- c) We will not be obliged to send you any documents if their distribution may be prohibited by any applicable law.
- d) You should notify us of any change of name or address as soon as possible, providing us with appropriate supporting documentation, e.g. in the case of a change of name, the deed poll or marriage certificate. You should make sure that the arrangements for receiving mail at your address are safe.
- e) In the event of your death, your executors should contact the ISA Manager. These Terms and Conditions shall be binding on your successors, executors, administrators and other legal representatives.
- f) All communications sent to you by us will be treated as received by you on the Business Day after posting.
- g) Any documents or cheques sent to you by us or on our behalf and any documents or cheques sent by you to us will be sent at your risk and we accept no liability before receipt of any document or cheque or where relevant after despatch of any document or cheque to you.

#### 24. Third Party Rights

Nothing in these Terms and Conditions shall confer or is intended to confer on any third party any benefit or the right to enforce any terms contained herein for the purposes of the Contracts (Rights of Third Parties) Act 1999.

#### 25. Law and Jurisdiction

- If these terms conflict with either the Regulations or FSA Rules, then the Regulations and/or FSA Rules will take priority.
- This document is based on our current understanding of English Law and HM Revenue & Customs practice, both of which may change in the future.
- These Terms and Conditions will be construed in accordance with English Law.

The parties (i) irrevocably submit to the exclusive jurisdiction of the English courts and (ii) undertake not to commence any proceedings in relation to these Terms and Conditions in the courts of any other jurisdiction. English law will be taken by us as the basis for the establishment of relations with you before these Terms and Conditions coming into effect. All communications will be in English.

#### 26. Complaints and Compensation

- For information on how to submit a complaint to us in relation to the ISA Package please see the Brochure.
- RBS is a member of the Financial Services Compensation Scheme (FSCS). The Scheme can pay compensation to customers if they are eligible and a regulated firm is unable to pay claims against it, usually if the firm stops trading or is insolvent. Compensation limits apply depending on the type of claim: Investments – maximum £50,000, i.e. 100% of first £50,000 per person. Most retail consumers (this includes private individuals and some small businesses) are eligible under the Scheme. For further information on the conditions governing compensation and details on how to apply please refer to the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk).

Please note however, that the Financial Services Compensation Scheme will not cover you in the event of the default of any counterparty of the Cell or the Company or in the event of the Cell or the Company failing to redeem or pay redemption monies for the redemption of the Shares or for any fall in the value of such Shares.

Further information about compensation arrangements is available from the Financial Services [www.fscs.org.uk](http://www.fscs.org.uk).

#### 27. Waiver

No conduct or delay on our part or the part of the Nominee shall be taken as a waiver or variation of any rights which we or the Nominee has under these Terms and Conditions unless we or the Nominee waives or varies a particular right in writing. No waiver or variation on a particular occasion will operate as a waiver or variation of any rights we or the Nominee may have in respect of any other matter.

#### Ⓜ Your Information

##### 28. Who we are

We are a member of The Royal Bank of Scotland Group (the Group). For information about our group of companies please visit [www.rbs.com](http://www.rbs.com) and click on 'About Us', or for similar enquiries please telephone 0131 556 8555 or Minicom 0845 900 5960.

##### 29. Your electronic information

If you contact us electronically, we may collect your electronic identifier (e.g. Internet Protocol (IP) address or telephone number), supplied by your service provider.

##### 30. How we use your information and who we share it with

Your information comprises all the details we hold about you and your transactions, and includes information obtained from third parties.

We may use and share your information with other members of the Group to help us and them:

- assess financial and insurance risks;
- recover debt;
- prevent and detect crime;
- understand our customers' requirements; or
- develop and test products and services.

We do not disclose your information to anyone outside the Group except:

- where we have your permission; or
- where we are required or permitted to do so by law; or
- to credit reference and fraud prevention agencies and other companies that provide a service to us or you; or
- where we may transfer rights and obligations under this agreement.

We may disclose your information to government entities or regulatory bodies in order that those entities may discharge their responsibilities and obligations or exercise their powers or functions.

We may transfer your information to other countries on the basis that anyone to whom we pass it provides an adequate level of protection. However, such information may be accessed by law enforcement agencies and other authorities to prevent and detect crime and comply with legal obligations.

From time to time we may change the way we use your information. Where we believe you may not reasonably expect such a change we shall write to you. If you do not object to the change within 60 days, you consent to that change.

If you would like a copy of the information we hold about you, please write to: The Data Protection Manager, Retail Regulatory Risk, 2nd Floor, Business House B, RBS Gogarburn, PO Box 1000, Edinburgh EH12 1HQ.

A fee may be payable.

##### 31. Ⓜ Credit reference agencies

We may make periodic searches at credit reference agencies and will provide information to the Group to manage and take decisions about your accounts. This may include information about how you manage your account including your account balance, credit limit and any arrears. We will also provide this information to credit reference agencies who may make this information available to other organisations so that they can take decisions about you, your associates and members of your household. The information may also be used for tracing purposes.

##### 32. Ⓜ Fraud prevention agencies

If false or inaccurate information is provided and fraud is identified or suspected, details may be passed to fraud prevention agencies.

Law enforcement agencies may access and use this information.

We and other organisations may also access and use this information to prevent fraud and money laundering, for example when:

- checking applications for, and managing credit or other facilities and recovering debt;
- checking insurance proposals and claims;
- checking details of job applicants and employees.

We, and other organisations that may access and use information recorded by fraud prevention agencies, may do so from other countries.

We can provide the names and addresses of the credit reference and fraud prevention agencies we use if you would like a copy of your information held by them. Please contact any branch. The agencies may charge a fee.

Please see clause 12 for information on what happens if a joint holder dies.

##### 33. Power of Attorney

If you wish an attorney to deal with matters relating to these Terms and Conditions on your behalf we shall require a certified copy of the relevant Power of Attorney.

##### 34. Conflicts of Interest

We or our agents may carry out transactions for you whether or not we or they have directly or indirectly a material interest or relationship of any description with another party, which may involve a conflict with our or their duty to you. We will, however, endeavour to ensure that any transaction carried out in such circumstances is made on a normal commercial basis at arm's length. The Group will either avoid any conflicts of interest arising or, where conflicts arise, will ensure fair treatment of all its customers by disclosure, internal rules of confidentiality, declining to act, or otherwise.

The Group will not improperly place its interests above those of its customers and, where a properly informed customer would reasonably expect that the Group would place his interests above its own, the Group will live up to that expectation.

The full conflicts of interest policy can be provided upon request, please contact NatWest ISA Office.

##### 35. Other Conditions

- We may delay acting on your instructions if we need to obtain further information from you to comply with any legal or regulatory requirement (including compliance with anti-money laundering legislation or rules) or to investigate any concerns it may have as to the validity of your instructions. Where further enquiries are required, you authorise us to make credit reference, identity (including searching the electoral role), fraud and other enquiries that may be necessary for these purposes.
- In maintaining records for the ISA we do not recognise any trusts and neither us nor the Nominee will take notice of any trust express, implied or constructive.
- Neither we nor the Nominee will lend to or deposit by way of collateral your Shares with any third party. No money will be borrowed using them as security.
- You authorise us to disclose or permit disclosure of any information we may have either about your investments or any other purposes in connection with these Terms and Conditions to any relevant authority or as they may require (whether by compulsion of law or not) and we shall not be liable for any disclosure made in good faith.
- By entering into these Terms and Conditions you are confirming that you are willing for us to contact you from time to time by telephone or other non-written means to discuss the investment or other matters we believe may be of interest to you.