



NAB 100% INVESTMENT LOAN TERM SHEET

NAB 100% INVESTMENT LOAN ON RBS RE-STRIKE DEFERRED PURCHASE AGREEMENT

Investments in RBS Re-Strike Deferred Purchase Agreements Series 1 & 2 ("**RBS Re-Strike**") are issued by RBS Group (Australia) Pty Ltd (RBS) ABN 78 000 862 797 AFSL 247013.

A Product Disclosure Statement (PDS) dated 3 May 2010 for RBS Re-Strike is available from RBS by calling 1800 450 005 or visiting www.rbs.com.au/structuredproducts.

The information in this Term Sheet relating to the offer of units in RBS Re-Strike is based on information contained in the Product Disclosure Statement (PDS) for RBS Re-Strike dated 3 May 2010. Investors should carefully read the PDS and talk to their licensed financial adviser before making an investment decision to invest in RBS Re-Strike.

You must also read the NAB 100% Investment Loan Application Kit in its entirety if you intend to use the NAB 100% Investment Loan to invest in RBS Re-Strike. This Term Sheet must be read in conjunction with the PDS and the NAB 100% Investment Loan Kit.

Gain exposure with no upfront capital required

A NAB 100% Investment Loan can provide 100% of the funds for you to invest in RBS Re-Strike without any initial capital outlay, secured by your units in RBS Re-Strike.

Invest in RBS Re-Strike using a NAB 100% Investment Loan and you could benefit from:

1. An investment with potential for capital growth and income
2. No margin calls, (except where you fail to meet your interest payment obligations or the units are sold or redeemed early and the redemption proceeds are less than the outstanding balance amount)
3. A range of interest rate options to meet your needs
4. Potential tax efficiency[#]
5. No application or ongoing service fees for individual and joint applications
6. Minimum investment loan amount is \$20,000

[#]Your tax position will depend on your personal circumstances. We recommend you seek professional advice from your financial and tax advisers in relation to your own taxation position.

Key dates

Offer Open Date	3 May 2010
Offer Close Date	23 June 2010
Commencement Date (expected)	On or about 10 July 2010
Maturity Date – series 1	On or about 10 July 2017
Maturity Date – series 2	On or about 10 January 2017

Term of Loan

Loan terms of seven years for Series 1 and six and a half years for Series 2.

Indicative interest rates as at 10 May 2010

Interest rate options

	1 year	2 years	3 years	4 years	5 years
FIXED RATE ANNUALLY IN ADVANCE	8.65%	8.80%	9.05%	9.30%	9.40%

Rate Options after the commencement year will include variable interest rates and fixed rates monthly in arrears of between one and five years. The above interest rates are indicative only. The actual interest rates may change by the time the loans are made.

NAB 100% Investment Loan – Investment Considerations

Like other investment strategies, 100% investment borrowing involves an element of risk. Just as there is potential for growth in the value of RBS Re-Strike, there is also potential for loss. Markets can be volatile and can fall as well as rise. It is important that you consider your individual financial circumstances.

Some key risks have been highlighted in the Investment Loan Booklet and in the PDS dated 3 May 2010. You should read these documents carefully before making any decision to apply for a NAB 100% Investment Loan in respect of an investment in RBS Re-Strike. However, these are not the only risks faced by a potential investor. Accordingly, we strongly recommend that you obtain professional advice from your legal, financial and tax advisers to determine if using the NAB 100% Investment Loan is right for your particular circumstances and to understand the risks involved before you enter into a NAB 100% Investment Loan. We have not in any way considered the suitability of the NAB 100% Investment Loan for you and you should not infer that we are providing personal investment or tax advice in making the NAB 100% Investment Loan available to you.

Please ensure that you have read the Investment Loan Booklet and the PDS including the description of risks, and taken appropriate advice from qualified professionals, before making an application for a NAB 100% Investment Loan.

For further information on the NAB 100% Investment Loan, call 1800 652 966.

How to apply for a NAB 100% Investment Loan

We strongly recommend you obtain advice from your financial, legal and taxation advisers and any other advice you need before deciding to submit a 100% Investment Loan Application.

To establish a NAB 100% Investment Loan Facility to finance the purchase of units in RBS Re-Strike follow these simple steps:

Step 1

- Carefully read, consider and ensure that you understand the PDS in its entirety before determining the amount you would like to invest in RBS Re-Strike.

Step 2

- Obtain a copy of the NAB 100% Investment Loan Kit.

Step 3

- Read all of the information in the NAB 100% Investment Loan Kit. Send and complete the NAB 100% Investment Loan Application Form, and where you have agreed to a Loan Establishment Fee, this signed Term Sheet, to NAB. We recommend you obtain professional advice from your financial, legal and taxation advisers and any other advice you need before deciding to submit an application. You may also need to complete the Client identification form (if applicable).

Step 4

- Attach your application for your investment in RBS Re-Strike to your NAB 100% Investment Loan Application Form and submit both of these to us along with any other supporting documentation.

- Please forward your completed NAB 100% Investment Loan Application form along with the completed Term Sheet to:

**NAB 100% Investment Loan Unit
Level 30, 500 Bourke Street
MELBOURNE VIC 3000**

You must read the PDS, this Term Sheet and the NAB 100% Investment Loan Kit in full prior to completing an NAB 100% Investment Loan Application Form. The NAB 100% Investment Loan Kit contains important information regarding the terms and conditions that will apply to your NAB 100% Investment Loan (NAB 100% Investment Loan Facility Terms).

Please note any incomplete information may delay the establishment of the NAB 100% Investment Loan Facility.

Loan approval process

- All NAB 100% Investment Loan Applications are subject to approval. NAB will generally make a decision to approve or reject individual or joint applications within 48 hours of receipt of the application.
- NAB 100% Investment Loan Applications from companies and trustees on behalf of trusts may take longer to approve or reject.
- On approval of the application, you will receive confirmation of the approved NAB 100% Investment Loan Facility details.

Loan Establishment Fee

If you wish to pay your adviser an amount of upfront fees for work they have performed for you, then you can elect that NAB charge you a Loan Establishment Fee (no GST applicable) as a percentage of your investment loan (subject to a maximum of 2%) to cover those adviser fees. If you make that election, the Loan Establishment Fee will be direct debited from the same nominated bank account as your interest payments. The Loan Establishment Fee will be direct debited from this account at the same time as your first interest payment; therefore it is necessary that you have sufficient cash available in this account to cover both your interest payment and the Loan Establishment Fee. NAB will then pay your adviser the full amount of the Loan Establishment Fee that you have elected in payment of the adviser's fee. The Loan Establishment Fee will be paid in addition to the Contribution Amount on the Approved Investment. If you elect not to pay your adviser's upfront fees by way of the Loan Establishment Fee, then you will not be required to pay any Loan Establishment Fee.

Please use the table below to confirm the details of any Loan Establishment Fee that you elect to pay.

Will a Loan Establishment Fee be paid? Yes No

Loan Establishment Fee amount
(subject to a maximum of 2%)

%

Please sign below to acknowledge and authorise NAB to charge the Loan Establishment Fee.

Signature



Date

/ /

For more information about using a NAB 100% Investment Loan please call NAB on 1800 652 669 or visit www.wholesale.nabgroup.com

Important Information

This document is published by National Australia Bank Limited ABN 12 004 044 937, Australian financial services licence number 230686 (NAB). NAB can be contacted by telephone on 1800 652 669.

The information in this document is intended to be of a general nature only. In preparing this document, we have not taken into account the investment objectives, financial situation or particular needs of any particular person. Accordingly, the information in this document should not be construed as personal financial product advice by NAB, or any associate of NAB, or any other person concerning this investment. You should consider whether this investment is appropriate in light of your own particular investment needs, objectives and financial circumstances and/or seek independent legal, financial and taxation advice. No warranty is made as to the accuracy or reliability of any estimates, opinions, conclusions, recommendations (which may change without notice) and, to the maximum extent permitted by law, and NAB disclaims all liability and responsibility for any direct or indirect loss or damage which may be suffered by any recipient through relying on anything contained in or omitted from this document. Investment is subject to investment risk, including possible delays in repayment and, except as provided in the PDS, loss of income and principal invested. An investment in RBS Re-Strike is not a deposit with NAB or of any of its related bodies corporate. It is a liability of RBS on the terms set out in the PDS and is subject to investment risk including possible delays in repayment and loss of income or principal invested. None of NAB or any other company in the National Australia Bank Group guarantees the performance or success of RBS Re-Strike, the rate of return from or the repayment of investments in RBS Re-Strike or in any way stand behind the capital value or performance of the shares or RBS Re-Strike, except as provided in the PDS. NAB does not warrant or represent that the information in this document is free from errors or omissions or is suitable for your intended use. NAB has provided this information on the basis that each recipient will carry out and rely solely upon its own investigation and analysis.

Without limiting the foregoing, any forecast, budget, target, projection or any other forward looking statement ("Projection") is provided for information purposes only and comprises managed estimates of future prospects. As the achievement of any Projection as to the results of subsequent trading is dependent upon future events, the outcome of which cannot be assumed, the actual results achieved may vary materially from the Projection.

While every care has been taken in the preparation of this document, NAB makes no representation or warranty as to the accuracy or completeness of any statement in it, including, without limitation, any Projections. Please note that simply because an investment in RBS Re-Strike is on an approved list of investments for the NAB 100% Investment Loan does not mean NAB recommends or endorses it. You are responsible for choosing whether or not you invest in RBS Re-Strike and for considering the suitability of an investment in RBS Re-Strike for your individual needs and objectives.

Client Acknowledgement

If you have obtained a NAB 100% Investment Loan facility to acquire RBS Re-Strike, we may allow you to use an advance we make to you under that facility to repay money that you borrowed to acquire another investment, provided that you are redeeming that other investment. If you want to do this, we will notify you of the conditions that you must satisfy before we will make an advance for this purpose. These conditions may include providing us with any document or other information that we require about the money that you borrowed and/or the investment that you are redeeming and telling us the lender to whom the advance is to be paid.

NAB's rights under the NAB 100% Investment Loan are not limited by the terms of RBS Re-Strike, any other investment that you are redeeming or the terms on which you borrowed money to acquire that other investment. Investors who are considering applying for a NAB 100% Investment Loan should be aware that NAB may exercise rights under the NAB 100% Investment Loan in accordance with the terms of the NAB 100% Investment Loan. These rights include that NAB may require repayment of the full amount (or any part) of the NAB 100%

Investment Loan at any time by giving you five business days notice. For example, if we allow you to use advance under a NAB 100% Investment Loan to repay money that you borrowed to acquire an investment which is being redeemed, NAB may require repayment of the full amount (or any part) of the NAB 100% Investment Loan if it is not satisfied that the other investment has or will be redeemed.

If you tell us that you would like NAB to pay any fees that an advisor charges you in connection with a NAB 100% Investment Loan in the form of a Loan Establishment Fee, you have authorised NAB to arrange for funds to be debited from the same bank account that you nominate for your interest payments in order to pay that Loan Establishment Fee.

General advice

The information in this Term Sheet is of a general nature only. In preparing this Term Sheet, NAB has not taken into account the investment objectives, financial situation or particular needs of any particular person. Accordingly, the information in this Term Sheet should not be construed as personal financial product advice by the Issuer, or any associate of NAB, or any other person concerning an investment in RBS Re-Strike. You should consider whether an investment in RBS Re-Strike is appropriate in light of your own particular investment needs, objectives and financial circumstances and/or seek independent legal, financial and taxation advice. Simply because investments in RBS Re-Strike are on an approved list does not mean NAB recommends or endorses them. You are responsible for choosing whether or not to invest in RBS Re-Strike and for considering the suitability of an investment in RBS Re-Strike for your individual needs and objectives. NAB has provided this information on the basis that each recipient will carry out and rely solely upon its own investigation and analysis.

No warranty is made as to the accuracy or reliability of any estimates, opinions, conclusions, recommendations (which may change without notice). Without limiting the foregoing, any forecast, budget, target, projection or any other forward looking statement ("Projection") is provided for information purposes only and comprises managed estimates of future prospects. As the achievement of any Projection as to the results of subsequent trading is dependent upon future events, the outcome of which cannot be assumed, the actual results achieved may vary materially from the Projection. Past performance is no guarantee of future performance. While every care has been taken in the preparation of this Term Sheet, NAB does not warrant or represent that the information in this Term Sheet is free from errors or omissions (including, without limitation, any Projections) or is suitable for your intended use. To the maximum extent permitted by law, NAB disclaims all liability and responsibility for any direct or indirect loss or damage which may be suffered by any recipient through relying on anything contained in or omitted from this Term Sheet.

NAB 100% Investment Loan –Product Disclosure Statement

A Product Disclosure Statement (CMA PDS) is available for the NAB 100% Investment Loan Cash Management Account (CMA). NAB is the issuer of the CMA PDS and recommends you consider the CMA PDS before making any decisions regarding this product. The CMA PDS is available via our website at www.wholesale.nabgroup.com or by calling the NAB 100% Investment Loan Unit on 1800 652 669. This Term Sheet is not a substitute for reading the NAB 100% Investment Loan Facility Terms or CMA PDS. The 100% Investment Loan Facility Terms are available from NAB on request. Loan applications are subject to approval.

Capitalised terms used in this Term Sheet have the meanings given to them in the PDS and the NAB 100% Investment Loan Facility Terms unless the context requires otherwise. NAB has adopted the revised NAB Code of Banking Practice. For details of the Code contact NAB by telephone on 13 22 65 and select the option to speak to a Customer Service Representative.

Or visit us at www.nab.com.au.