



NAB 100% INVESTMENT LOAN TERM SHEET

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

RBS Re-Strike Deferred Purchase Agreements Series 3, 4, 5 & 6 ("**RBS Re-Strike**") is issued by RBS Group (Australia) Pty Ltd ABN 78 000 862 797 AFSL 247013 (RBS).

A Product Disclosure Statement (PDS) dated 16 August 2010 for RBS Re-Strike is available from RBS by calling 1800 450 005 or visiting www.rbs.com.au/structuredproducts.

A person should consider the PDS and talk to their licensed financial adviser before deciding whether to acquire, or continue to hold, investments 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 Application Kit.

Invest with no upfront capital required

A NAB 100% Investment Loan can provide 100% of the funds so you can invest in units in RBS Re-Strike without any initial capital outlay. Invest in units in RBS Re-Strike using a NAB 100% Investment Loan with:

1. A range of interest rate options to meet your needs
2. Potential tax efficiency[#]
3. No ongoing service fees for individual and joint applications
4. 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

Series 3 & 4

Offer Open Date	16 August 2010
NAB 100% Investment Loan Application Close Date	30 September 2010

Series 5 & 6

Offer Open Date	1 October 2010
NAB 100% Investment Loan Application Close Date	30 November 2010

Term of Investment

Series 3 – 7 years

Series 5 – 7 years

Series 4 – 6.5 years

Series 6 – 6.5 years

Indicative Interest Rates as at 10 September 2010

Interest rate options indicative interest rate (% p.a.)

VARIABLE RATE	8.80%				
	1 year	2 years	3 years	4 years	5 years
FIXED RATE ANNUALLY IN ADVANCE	8.65%	8.75%	8.85%	9.00%	9.20%
FIXED RATE MONTHLY IN ARREARS	8.90%	8.90%	9.00%	9.30%	9.10%

The above interest rates are indicative only and may differ from the interest rate applied to your loan at drawdown. Fees and charges may apply. For further information go to www.wholesale.nabgroup.com.

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 your investment, 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 NAB 100% Investment Loan Application Kit and in the PDS for RBS Re-Strike. You should read these documents carefully before making any decision to apply for the 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.

Investment Considerations – continued

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 documents in the NAB 100% Investment Loan Application Kit and the PDS for RBS Re-Strike 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 NAB on 1800 652 669.

Credit assessment requirements

Loans for RBS Re-Strike

INCOME VERIFICATION



NET ASSET VERIFICATION



STATEMENT OF POSITION



All NAB 100% Investment Loan applicants for RBS Re-Strike must verify income and/or assets.

Examples of verification include:

Asset verification

- a letter from your accountant or financial adviser confirming your assets;
- a rates notice showing the local council's valuation for property owned;
- a copy of account statements confirming deposits and/or net holdings

Income verification

- a letter from your accountant or financial adviser confirming your income;
- your last two payslips; or
- your previous year's group certificate(s) or tax return; or
- an accountant's certificate confirming your income; or
- a declaration from your employer confirming your income

How to apply for a NAB 100% Investment Loan

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 for RBS Re-Strike in its entirety before determining the amount you would like to invest in units in RBS Re-Strike.

Step 2

To obtain a copy of the NAB 100% Investment Loan Application Kit you can:

- Request an Application Kit to be mailed to you by calling NAB on 1800 652 669 or by emailing us at globalmarketsinvestments@nab.com.au
- Download a NAB 100% Investment Loan Application Kit at www.wholesale.nabgroup.com

Step 3

- Read all of the information in the NAB 100% Investment Loan Application Kit. Send and complete the NAB 100% Investment Loan Application Form, and where you have a loan in a different name to the existing investment, return this completed and signed Term Sheet to NAB. We recommend you keep a copy of this Term Sheet for your records.

Step 4

- Attach your application for your investment in units 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 to:

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

Please note any incomplete or missing 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.
- You will receive confirmation of your Facility details from us if your NAB 100% Investment Loan is approved.

Is your application for the NAB 100% Investment Loan in a different name from your existing investment?

If you are applying for the NAB 100% Investment Loan to invest in units in RBS Re-Strike under a different name from your existing investment, please confirm the details below.

Name under which existing investment was made

Applicant name for NAB 100% Investment Loan in respect of investment in RBS Re-Strike

Applicant signature



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.

An investment in RBS Re-Strike Deferred Purchase Agreements Series 3, 4, 5 & 6 (RBS Re-Strike) is not a deposit with NAB or of any of its related bodies corporate. It is a liability of RBS Group (Australia) Pty Ltd ABN 78 000 862 797 AFSL 247013 (RBS) on the terms set out in the Product Disclosure Statement dated 16 August 2010 for RBS Re-Strike (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 units 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.

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.

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 NAB, 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 of investments for the NAB 100% Investment Loan 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 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.

Capitalised terms used in this Term Sheet have the meanings given to them in the PDS unless the context requires otherwise.

NAB 100% Investment Loan Cash Management Account

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 NAB 100% Investment Loan Facility Terms are available from NAB on request. Loan applications are subject to approval.

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