

Thank you for requesting this Product Disclosure Statement from Funds Focus.

Fee Reduction

As highlighted within our offers page, applications lodged through Wealth Focus will receive a rebate of 0.75% in the form of a cheque.

How to Apply

Please have a read through the PDS and if you would like to invest the application pages can generally be found towards the back of the document. You will only need to send the application section back with a cheque/direct debit payable direct to the investment company (not ourselves). You should take note of any minimum investment amounts that may apply and proof of ID that is now required for the new Anti-Money Laundering regulations.

Then mail the completed application directly to us.

We will then check to ensure your form is completed correctly before forwarding your document on to the investment provider on your behalf.

Wealth Focus Pty Ltd
Reply Paid 760
Manly
NSW 1655

Please note that we are unable to track applications mailed directly to the product provider and therefore cannot guarantee that your discounts have been applied in these instances.

Should you wish to take advantage of our free annual valuation and tax report for all your investments you should complete our broker nomination form for The Wealth Focus Investment Service.

Regards



Sulieman Ravell
Managing Director



Requirements for verifying your identity under the new Anti Money Laundering (AML)/Counter Terrorism Financing (CTF) Act

The AML/CTF Act came into effect on the 12th December 2007. All financial planning and fund management companies are now required to collect, verify and store specific customer information before arranging investment services for a client. It is designed to prevent, detect and protect Australian business from money laundering and the financing of terrorist activities.

As such, we request that all new applications are sent with 'certified documentation'.

We have found that the easiest way to provide the required documentation is to have a copy of your driving licence *or* passport certified by Australia Post or a Justice of the Peace (please see following page for a full list of individuals that can certify documentation).

Once this has been completed, under the current requirements we will not require you to send identification again.

What you need to do

You will need to enclose a certified piece of photographic evidence or one piece of primary non-photographic evidence and one piece of secondary evidence (please refer to the Identification Form for document requirements), with your application form and post to us at the following address

Wealth Focus Pty Ltd

Reply Paid 760

Manly

NSW 1655

Please do not send us original driving licences or passports as these can very easily get lost in the post. Copies of documents can be certified by an authorised individual, they will need to sight and verify that the copy is a 'certified true copy', sign, date, print their name and list their qualification.

**ANTI-MONEY LAUNDERING REQUIREMENT FOR NEW APPLICATIONS
IDENTIFICATION FORM A**

GUIDE TO COMPLETING THIS FORM

- Please contact us on 1300 55 98 69 if you have any queries.
- If you wish to apply in the name of a trust or company, please contact us for an alternative identification form.
SMSF's and retail superannuation applications do not need to provide ID (an online check will be performed for SMSFs)

Attach a certified copy of the ID documentation used as proof of identity. ID enclosed should verify your full name; and **EITHER** your date of birth or residential address.

- Complete Part I (or if the individual does not own a document from Part I, then complete either Part II or III.)

PART I – ACCEPTABLE PRIMARY ID DOCUMENTS

	Select ONE valid option from this section only
<input type="checkbox"/>	Australian State / Territory driver's licence containing a photograph of the person
<input type="checkbox"/>	Australian passport (a passport that has expired within the preceding 2 years is acceptable)
<input type="checkbox"/>	Card issued under a State or Territory for the purpose of proving a person's age containing a photograph of the person
<input type="checkbox"/>	Foreign passport or similar travel document containing a photograph and the signature of the person*

PART II – ACCEPTABLE SECONDARY ID DOCUMENTS – should only be completed if the individual does not own a document from Part I

	Select ONE valid option from this section
<input type="checkbox"/>	Australian birth certificate
<input type="checkbox"/>	Australian citizenship certificate
<input type="checkbox"/>	Pension card issued by Centrelink
<input type="checkbox"/>	Health card issued by Centrelink
	AND ONE valid option from this section
<input type="checkbox"/>	A document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to the individual and which contains the individual's name and residential address
<input type="checkbox"/>	A document issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by the individual to the Commonwealth (or by the Commonwealth to the individual), which contains the individual's name and residential address. <i>Block out the TFN before scanning, copying or storing this document.</i>
<input type="checkbox"/>	A document issued by a local government body or utilities provider within the preceding 3 months which records the provision of services to that address or to that person (the document must contain the individual's name and residential address)
<input type="checkbox"/>	If under the age of 18, a notice that: was issued to the individual by a school principal within the preceding 3 months; and contains the name and residential address; and records the period of time that the individual attended that school

Who can verify customer identity documents?

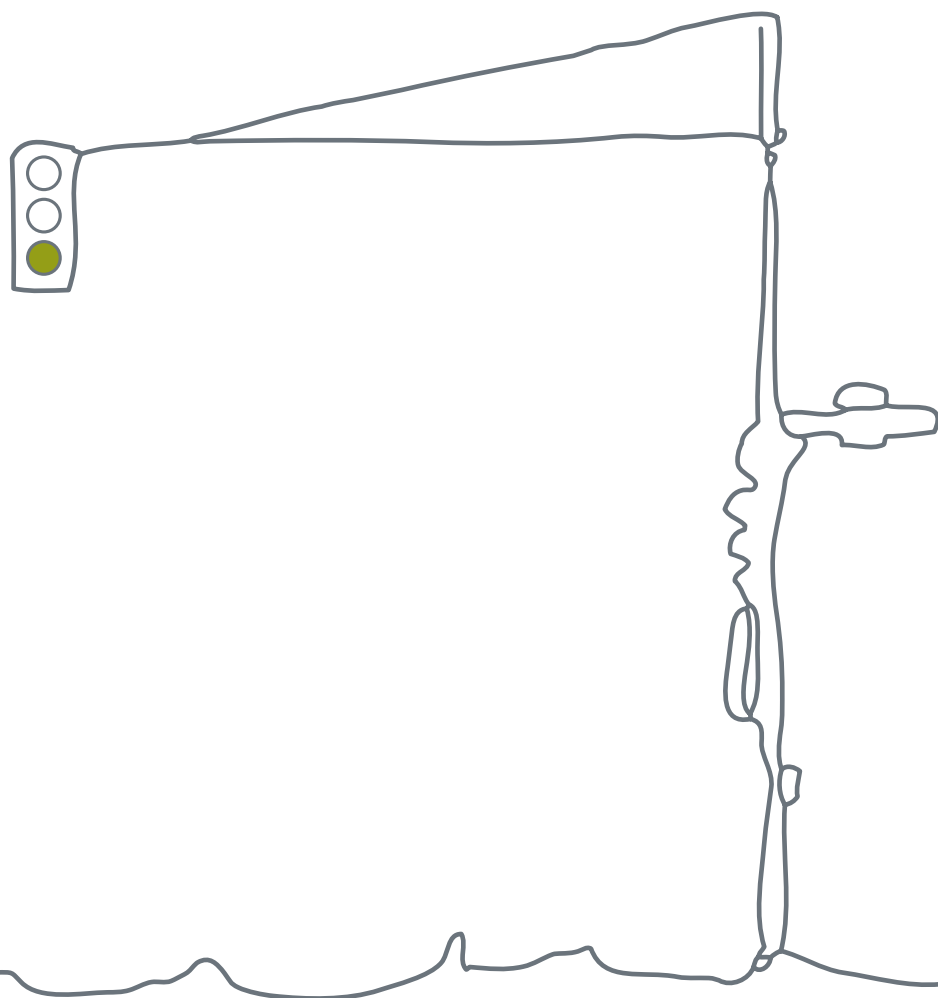
Please find below a list of all the Approved Individuals that can certify documents:

- **A Justice of the Peace**
- **An agent of the Australian Postal Corporation** who is in charge of an office supplying postal services to the public, or a permanent employee with more than two years continuous service (who is employed in an office supplying postal services to the public)
- A notary public (for the purposes of the Statutory Declaration Regulations 1993)
- A person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described)
- A judge, magistrate, registrar or deputy registrar of a court
- A chief executive officer of a Commonwealth Court
- A police officer
- An Australian consular or diplomatic officer (within the meaning of the Consular Fees Act 1955)
- An officer or finance company officer with two or more continuous years of service with one or more financial institutions (for the purposes of the Statutory Declaration Regulations 1993)
- An officer with, or authorised representative of, a holder of an Australian Financial Services Licence, having two or more continuous years of service with one or more licensees, and
- A member of the Institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with more than two years continuous membership.

Link^{arc}

Series 2

Absolute Returns from Commodities
Deferred Purchase Agreement



INstreet

Product Disclosure Statement Issued on 1 February 2010

The Issuer of this Product Disclosure Statement is RBS Group (Australia) Pty Limited ABN 78 000 862 797 AFSL 247013

Broker to the Issuer: RBS Equities (Australia) Limited ABN 84 002 768 701 AFSL 240530

Guarantor to the Issuer: ABN AMRO Bank N.V. ABN 84 079 478 612

Important information

The Instreet Link ARC Deferred Purchase Agreement is designed to provide enhanced exposure to the Risk Stabilised Quantum Pegasus EL1 Strategy Index over two years. Any positive returns over approximately the first year are paid in the form of a Cash Coupon. Any positive returns over approximately the second year are received in the form of a Delivery Parcel at Maturity.

Issuer

This Product Disclosure Statement (PDS) is dated 1 February 2010 and has been prepared and is issued by RBS Group (Australia) Pty Ltd ABN 78 000 862 797 ("Issuer"). The Issuer holds an Australian financial services licence No. (AFSL) 247013.

Distribution Manager

Instreet Investment Limited ABN 44 128 813 016 (Instreet) will be the Distribution Manager for investors into the Units and will coordinate your investment in the Units. Instreet is an authorised representative (ASIC Authorised Representative No.322612) of EA Financial, LP under AFSL: 246801. EA Financial, LP is responsible for overseeing the services of Instreet but does not guarantee or otherwise provide assurance in respect of the obligations of Instreet or the Issuer.

Instreet can be contacted on 1300 954 678 or at Level 34, 50 Bridge Street, Sydney, NSW Australia. EA Financial, LP can be contacted on (02) 9249 7375, or facsimile (02) 9249 7349, or Level 6, 115 Pitt Street Sydney 2000 NSW.

Link Capital Investments Pty Ltd ACN 138 072 429 (Link Capital) an authorised representative (ASIC Authorised Representative No.340617) of EA Financial, LP under Australian Financial Services Licence No. 246801 has been engaged by the Distribution Manager to structure this Offer.

Neither Instreet, Link Capital nor EA Financial, LP are part of the RBS Group of companies. Instreet and Link Capital are not the agents or representatives of any member of the RBS Group of companies and act on behalf of EA Financial, LP. No person (including Instreet and Link Capital) has been authorised by the Issuer, or any other RBS Group company to give any information or make any representations in connection with the offer which is not in this PDS and if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, or any other RBS Group company.

Glossary

A glossary of terms appears in Section 9 of this PDS. Please also refer to the Offer Summary for the meaning of some terms.

This PDS invites you to apply for the Instreet Link ARC Deferred Purchase Agreements ("the Units") ("Offer").

Offer

The Offer is open to both retail and wholesale investors who are Australian residents and who receive this PDS in Australia. If you receive this PDS in electronic form, you are entitled to obtain a paper copy (including the Application Form) free of charge by contacting the Distribution Manager or your adviser.

This PDS is not required to be lodged with ASIC.

The distribution of this PDS in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this PDS comes should inform themselves about any investment restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This PDS does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would be unlawful to make such an Offer.

Updated information

Information in this PDS may be updated from time to time. The Issuer may provide updated information on the following website:

www.instreet.com.au

A paper copy of the updated information is also available, free of charge, upon request. You may contact the Issuer for this. The Issuer may also be required to issue a supplementary Product Disclosure Statement as a result of certain changes, particularly where the changes are material.

No personal advice

Neither the Issuer or Distribution Manager, its related bodies corporate and their directors, officers or employees make any recommendation as to the suitability of the Units for any Investor or makes any representation or give any assurance as to the performance of the Units or any particular rate of overall return. This PDS does not contain personal investment advice.

You should seek your own financial, taxation and investment advice before investing in the Units. Before making an investment on the basis of this PDS, you should consider, in conjunction with your financial adviser, whether an investment in the Units is appropriate in view of your particular investment needs, objectives, financial and taxation circumstances. It is important that you read the entire PDS before making any decision to invest.

Risk factors

In considering the prospects of the Units, it is important that you consider the risk factors that could affect the financial performance of your investment. The risk factors that the Issuer thinks an Investor should consider are referred to in the "Risk" Sections on page 5 of this PDS.

No cooling off

Please note that cooling off rights do not apply in respect of an investment in the Units.

Ethical considerations

The Issuer does not take into account any labour standards or environmental, social or ethical considerations in the selection, retention or realisation of any element of the Units.

Status of this document

This Product Disclosure Statement is issued for the purposes of the Corporations Act. It is not a prospectus or other disclosure document lodged under Chapter 6D of the Corporations Act.

No endorsement by issuers of ASX Listed Securities

Although ASX Listed Securities are deliverable on Maturity of the Units, this should not be construed as an express or implied endorsement of the ASX Listed Securities by the Issuer of the Units or any endorsement of the Units by the issuers of the ASX Listed Securities. None of the issuers of the ASX Listed Securities have authorised, been involved in the preparation of, or caused the issuance of, this PDS. The issuers of the ASX Listed Securities do not take any responsibility for any part of this PDS.

No endorsement by the Reference Index Sponsor, or funds

Various indices are referred to as part of the Units. This should not be construed as an express or implied endorsement of the Units by the Reference Index, Index Sponsor, or relevant funds or any endorsement of the indices and funds by the Issuer. None of the Sponsors have authorised, been involved in the preparation of, or caused the issue of, this PDS. The Index Sponsors do not take any responsibility for any part of this PDS.

Nature of the Units

The Units are warrants and securities under the Corporations Act.

Please note "Units", when used in this PDS, means an agreement to buy the Delivery Asset between the Issuer and the Investor pursuant to the Deferred Purchase Agreement. The Units are not units in a managed investment scheme.

Instreet

Instreet works closely with the financial adviser community to create and distribute investment products that harness inspiration, market insight and intelligent structuring.

After identifying adviser needs and market trends, Instreet builds investment products by sourcing quality wholesale providers from around the world. By doing so, Instreet makes institutional assets available to individual investors. Instreet's products are administered by recognised financial institutions and Instreet obtains ratings from research houses. The end result is a selection of investment products designed to better achieve the goals of client and adviser.



Overview

The Instreet Link ARC Deferred Purchase Agreements offer an Australian Dollar (AUD), leveraged and actively managed enhanced exposure to an absolute return commodities index over two years. The absolute return commodities index is market-neutral and does not rely on the market falling or rising to generate returns.

The Instreet Link ARC Units are complex financial instruments and can in certain circumstances provide a high level of enhanced exposure to the Reference Index. The Units may not be suitable for all investors.

An investment in Instreet Link ARC may suit you if you:

- are seeking exposure to absolute returns for an Issue Price which is a fraction of your Notional Exposure. This notional leverage has the effect of magnifying any gains or losses on the Reference Index;
- believe that the Reference Index will increase over the Investment Term and will provide you with returns greater than the Issue Price by the Maturity Date;
- want an investment with the potential to pay out gains in the form of a cash Coupon at the end of the First Period (approximately 12 months). The Coupon depends on the returns on the Reference Index over the First Period;
- want an investment with the potential to perform in all market conditions with un-correlated returns to equities and bond markets;
- want an investment with a defined outcome which is determined by reference to the Reference Index at the end of the First Period and Second Period. On the downside, losses are limited to the Issue Price of the Units;
- are seeking an investment which is suitable for self managed superannuation funds;

An investment may not suit you if you:

- are seeking low-risk returns;
- you do not believe the Reference Index will rise over the Investment Term; or
- do not have sufficient financial resources to bear the risks associated with an investment in these Units. This includes the loss of your entire Investment Amount.

Before investing in Instreet Link ARC Series 2 you should consider carefully the risks that may affect the financial performance of the investment. For more information, please refer to Section 3 "Risk Factors".

Benefits and Features

The Units offered under this PDS seek to provide you with the following benefits and features:

		For more information see:
Investment opportunities	<p>Units offer an Investor the opportunity to access the potential upside returns from an absolute return commodities index.</p> <p>This investment exposure is subject to risks, limitations and conditions.</p>	<p>“Offer Summary”</p> <p>Section 3 “Risk Factors”</p>
One off upfront payment and enhanced exposure	<p>The Units provide exposure to the Reference Index for an Issue Price which is a fraction of the size of the Notional Exposure.</p> <p>Please note you may receive less than the Issue Price or zero at Maturity, if the Reference Index does not rise over the Second Period.</p>	<p>“Offer Summary”</p>
Coupon	<p>Investors may receive a payment at the end of the First Period (approximately 12 months), based on the performance of the Reference Index during this period. You will not receive a Coupon if the Reference Index does not rise over the First Period.</p>	
Delivery Parcel	<p>Investors may receive a Delivery Parcel at Maturity.</p> <p>The value of the Delivery Parcel is calculated by reference to the returns on the Reference Index over the Second Period. There is the potential for a payout even if the Reference Index is lower than at the Commencement Date, and in the event the Reference Index declined during the First Period and no Coupon was paid.</p> <p>Losses in the Reference Index over the First Period do not need to be recovered before there is a value at Maturity. The Maturity Value per Unit is determined by reference to the gain in the Reference Index over the Second Period only.</p>	
Term	<p>Approximately 2 years.</p>	<p>“Offer Summary”</p>
Simple documentation	<p>Investors may access Units by completing the Application Form attached to this PDS.</p>	<p>Section 2 “How to Invest”</p>
A defined outcome	<p>An Investor’s potential financial loss is limited to the Issue Price of the Units.</p> <p>The outcome is determined by reference to the Reference Index at the end of the First Period and Second Period.</p> <p>The Reference Index is published daily at www.futurevcindices.co.uk/showindex.cfm?id=166</p>	<p>“Offer Summary”</p>

Tax	Gains at Maturity are paid out in ASX Listed Securities, which may result in potential tax efficiency.	Section 4 "Taxation"
Foreign exchange	There is no foreign exchange risk where the Units are held to Maturity. However, if Investors exit the investment early, through selling their Units on the ASX or in the case of Early Maturity, they will be exposed to foreign exchange risk.	

Applications and issue of Units

Units will be issued within 30 days upon receipt of a completed and approved Application from an investor. The Unit's economic exposure to the Reference Index will begin on the Commencement Date. If a Unit is issued prior to the Commencement Date, it will have no economic exposure until the Commencement Date.

If for any reason the exposure to the Reference Index cannot be achieved on the Commencement Date, investors will be refunded their total Investment Amount without interest, and any Units already on issue will be terminated.

Risks

Some key risks of an investment in the Units include:	<p>There is no capital protection or guarantee of financial return on your investment.</p> <p>The receipt of a Coupon is not guaranteed and there is no minimum Maturity Value. Investors may not receive a Coupon or Delivery Parcel and may lose their entire Investment Amount.</p>	Section 3 "Risk Factors"
Gains and losses on your Initial Investment Amount are magnified	Because the Issue Price is a fraction of the Notional Exposure, movements in the Reference Index will have a magnified affect on the Maturity Value of your Units. While this feature has the potential to increase gains, it can also magnify losses.	Section 1.4 "Worked Examples" Section 3 "Risk Factors"
Fees inherent in the Reference Index will affect the value of the Units	The value of the Units will fall significantly on the first day the Units are listed due to the deduction of issuance fees.	Section 1.2 "Fees and Costs"
Value of the Units before the Maturity Date	The Maturity Value of the Units is calculated by reference to the Reference Index only. Prior to Maturity, the value of the Units will be determined by many factors such as market value of the Reference Index, time to Maturity, Volatility, interest rates and other market factors.	Section 3 "Risk Factors"
Point to point return risk	<p>The return on the Reference Index, in the case of the Coupon, is determined using the level of the Reference Index on the Commencement Date and First Period End Date, and, in the case of Maturity Value, on the Second Period Start Date and Maturity Date i.e. a point to point return.</p> <p>There is a risk that if the Reference Index (or any component of the Reference Index) performs poorly on the First Period End Date or the Maturity Date, then the Maturity Value or Coupon would be lower than if the return on the Reference Index were calculated using the average of a number of observation dates taken either during or at the end of the Investment Term.</p>	
Termination of the Reference Index	The Reference Index Sponsor may terminate the Reference Index at any time. If the Reference Index ceases to exist, the Issuer may choose to terminate the Units early.	
Creditworthiness of the Issuer and Guarantor	The Units are unsecured obligations of the Issuer and Guarantor. The Issuer and Guarantor may not be able to meet their respective obligations under the DPA or Guarantee.	Section 3 "Risk Factors"
Liquidity risk	The liquidity of the Units may not be sufficient to meet your liquidity requirements.	Section 3 "Risk Factors"
Early Maturity risk	<p>The Units can mature early if an Early Maturity Event occurs, or if an Investor requests an Issuer Buy-Back and as a consequence Expenses may be incurred.</p> <p>In the case of Early Maturity, the amount Investors receive may be significantly less than what they would have received had they held the Units to Maturity.</p>	Section 3 "Risk Factors" Section 2.8 "Early Maturity"

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Offer Summary

Key information and dates

Instreet Link ARC Deferred Purchase Agreements

Units	<p>Instreet Link ARC Deferred Purchase Agreements ("the Units")</p> <p>2-Year securities are linked to the performance of an absolute return commodities index ("the Reference Index"). The Reference Index provides actively managed enhanced exposure to a commodity market-neutral index, linked to the performance of an advanced quantitative commodities trading strategy. Please refer to Section 1.3 "Description of the Reference Index" for more detail.</p> <p>The Units are interests in two-year deferred purchase agreements issued by the Issuer. The Units are designed to deliver at the Settlement Date the number of ASX Listed Securities which have a value equivalent to the Maturity Value at the Maturity Date. The Maturity Value of the Units will be based on the performance of the Reference Index over the Second Period.</p>	<p>"Offer Summary"</p> <p>Section 3 "Risk Factors"</p>
Issuer	<p>RBS Group (Australia) Pty Limited ABN 78 000 862 797, AFSL: 247013 (a subsidiary of the Guarantor)</p>	<p>Section 6 "Description of the Issuer and Guarantor"</p>
Guarantor	<p>ABN AMRO Bank N.V. ABN 84 079 478 612</p>	
Guarantee	<p>All obligations of the Issuer to you are guaranteed by ABN AMRO Bank N.V. as the Guarantor.</p>	<p>Section 4 "Guarantee"</p> <p>Section 6 "Description of the Issuer and Guarantor"</p>
Term	<p>Approximately 2 years.</p>	
Minimum Investment	<p>2,500 Units and thereafter in multiples of 2,500 Units.</p>	
Currency	<p>The Units are Australian Dollar (AUD) investments.</p> <p>Returns of the Reference Index will be calculated without reference to foreign currency. Ultimate returns at the end of each of the First Period and the Second Period will be expressed in AUD so there is no foreign exchange exposure related to the Units.</p>	
Opening Date	<p>1 February 2010</p>	<p>Section 1 "Overview of the Units"</p>
Closing Date	<p>16 April 2010</p> <p>The Issuer reserves the right to shorten or extend the Offer period by varying the Opening Date, Closing Date and/or the expected Commencement Date (and any other relevant dates, such as the Maturity Date, as a result of an Early Maturity Event) without prior notice. Should a change in dates occur, the Issuer will notify Investors via the following website: www.instreet.com.au</p>	

Issue of Units	The Units will be issued within 30 days of receipt of a complete Application, including an investor's Investment Amount. Investors should note that their Units may be issued prior to the Commencement Date. The Units only gain exposure to the Reference Index on and from the Commencement Date.	
Buy-Back Dates	Quarterly on the last Business Day of March, June, September and December commencing December 2010. Investors must lodge their Buy-Back request no later than 10 Business Days before the relevant Buy-Back Date.	Section 8.4 "Early Maturity"
Commencement Date	30 April 2010 or as soon as reasonably practicable thereafter as determined by the Issuer.	
Maturity Date	30 March 2012 The Units may mature early in the case of an Early Maturity Event, and Maturity may be extended in the case of a Market Disruption Event and/or an Early Maturity Event. The Maturity Date will only be varied by the Issuer at its discretion.	Section 8.4 "Early Maturity"
First Period	The Commencement Date to the First Period End Date inclusive.	
Second Period	The Second Period Start Date to the Maturity Date inclusive.	
First Period End Date	29 April 2011	
Second Period Start Date	29 April 2011	
Coupon Payment Date	10 Business Days after the First Period End Date.	
Issue Price	\$1.18 per Unit which provides a Notional Exposure of \$10 per Unit.	

¹Investors should note that if the total Investment Amounts received from all Investors is less than \$5,000,000, the Issuer may at its absolute discretion decide whether or not to proceed with the Offer. If the Issuer does not proceed with the Issue, then all Application monies will be refunded to Investors without interest within 5 Business Days of the expected Commencement Date.

Reference Index	Risk Stabilised Aquantum Pegasus EL1 Strategy Index (Bloomberg Code: RBSAQLU1 <Index>)	Section 1 "Overview of the Units"
	The Units provide leveraged exposure to the Reference Index over the Investment Term. The leverage is provided through a Notional Exposure per Unit that is greater than the Issue Price Per Unit.	Section 1.4 "Worked Examples"
	The Reference Index provides a risk stabilisation overlay (which involves actively adjusting exposure depending on Volatility) over a commodity market-neutral index linked, to the performance of an advanced quantitative commodity trading strategy.	Section 10 "Formulae & Calculations"
	For more information on the Reference Index, please refer to section 1.3 "Description of the Reference Index".	
	The Reference Index Calculation Agent applies the Formula in Section 10 "Formulae & Calculations" to calculate the Reference Index Value. The Reference Index Value is published daily at http://www.futurevcindices.co.uk/showindex.cfm?id=166 . You can also access the historical Reference Index Values on this website.	

Reference Index Sponsor	The Royal Bank of Scotland plc
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Reference Index Calculation Agent	Future Value Consultants Limited
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Calculating your return – Coupon and Maturity Value

Coupon	The amount of the Coupon payable on the Coupon Payment Date will depend on the change in the Reference Index over the First Period.	Section 10 "Formulae & Calculations"
	Where the change in the Reference Index over the First Period is zero or negative, you will not receive a Coupon.	
	The Coupon per Unit can also be shown by the following formula:	
	$\text{Coupon} = \text{Notional Exposure per Unit} * \text{Max}(\text{First Period Return}, 0)$	
	The First Period Return is calculated using the following formula:	
	$\text{First Period Return} = (\text{Reference Index Value at First Period End Date} - \text{Reference Index Value at Commencement Date}) / \text{Reference Index Value at Commencement Date}$	
The Reference Index Value is calculated in accordance with the formula set out in Section 10 "Formulae & Calculations" and is published by the Reference Index Calculation Agent daily at http://www.futurevcindices.co.uk/showindex.cfm?id=166 .		

Maturity Value	The Maturity Value deliverable on the Maturity Date will depend on the change in the Reference Index over the Second Period. Where the change in the Reference Index over the Second Period is zero or negative, you will not receive a Delivery Parcel.	Section 1.3 "Description of the Reference Index"
	The Maturity Value per Unit can also be shown by the following formula:	Section 8.4 "Early Maturity"
	Maturity Value = Notional Exposure per Unit * Max (Second Period Return, 0)	Section 10 "Formulae & Calculations"
	The Second Period Return is calculated using the following formula:	
	Second Period Return = (Reference Index Value at Maturity Date – Reference Index Value at Second Period Start Date) / Reference Index Value at Second Period Start Date	
The Reference Index Value is calculated in accordance with the formula set out in Section 10 " Formulae & Calculations" and is published by the Reference Index Calculation Agent daily at http://www.futurevcindices.co.uk/showindex.cfm?id=166 .		
It is only the change in the Reference Index over the Second Period which is relevant for the calculation of the Maturity Value and therefore the number of Delivery Assets you receive at Maturity.		

Delivery Mechanism	Except in the case of an Issuer Buy-Back, an Early Maturity Event where the Issuer pays a Refund or the use of the Agency Sale Arrangement upon Maturity, the Maturity Value will be satisfied by the delivery of ASX Listed Securities with a market value equivalent to the Maturity Value.	Section 8.2 "Deferred purchase of ASX Listed securities"														
	The ASX Listed Securities are approximately equal values of ordinary shares in the following companies:	Section 2.5 "What happens at Maturity?"														
	<table border="1"> <thead> <tr> <th>Delivery Asset – Company Shares</th> <th>ASX Code</th> <th>Website</th> </tr> </thead> <tbody> <tr> <td>BHP Billiton Limited</td> <td>BHP</td> <td>www.bhp.com.au</td> </tr> <tr> <td>Commonwealth Bank of Australia</td> <td>CBA</td> <td>www.commbank.com.au</td> </tr> <tr> <td>Westpac Banking Corporation</td> <td>WBC</td> <td>www.westpac.com.au</td> </tr> <tr> <td>Woolworths Limited</td> <td>WOW</td> <td>www.woolworths.com.au</td> </tr> </tbody> </table>	Delivery Asset – Company Shares	ASX Code	Website	BHP Billiton Limited	BHP	www.bhp.com.au	Commonwealth Bank of Australia	CBA	www.commbank.com.au	Westpac Banking Corporation	WBC	www.westpac.com.au	Woolworths Limited	WOW	www.woolworths.com.au
Delivery Asset – Company Shares	ASX Code	Website														
BHP Billiton Limited	BHP	www.bhp.com.au														
Commonwealth Bank of Australia	CBA	www.commbank.com.au														
Westpac Banking Corporation	WBC	www.westpac.com.au														
Woolworths Limited	WOW	www.woolworths.com.au														
The settlement of the transfer of the ASX Listed Securities will occur on the Settlement Date, which is ten Trading Days after the Maturity Date.																
The ASX Listed Securities will be issued on the issuer sponsor sub-register of those securities. Investors may subsequently transfer the ASX Listed Securities into their own HIN.																
Alternatively, you may request the Issuer to sell your ASX Listed Securities and pay you the Sale Proceeds. To do this, use the Agency Sale Arrangement. This Delivery Mechanism may also apply in the event of Early Maturity, or alternatively the Issuer may pay you a Refund being the fair market value of the ASX Listed Securities.																
Any Distributions paid on the Portion of the ASX Listed Securities held by the Trustee during the Investment Term will be paid to the Issuer. Please refer to section 8.8 of the Terms for details.																

Maturity processes and secondary market

Can the Units be sold prior to Maturity? (Issuer Buy-Back)

The Units are designed to be held to Maturity. You should invest only if you can tie up your money for the full two-year Investment Term as the value of the Units you may realise before Maturity could be significantly less than the Issue Price of the Units.

You may request that the Issuer buy back the full amount of your Units (an "Issuer Buy-Back") on any Buy-Back Date. If your request for an Issuer Buy-Back is accepted, you will receive a cash payment equivalent to the Buy-Back Price of your Units, which may be less than the Issue Price.

The Issuer has the discretion to accept, reject or hold over a request for an Issuer Buy-Back for any period it determines. In particular, the Issuer will not accept a request for an Issuer Buy-Back where there is a current Market Disruption Event. The Issuer Buy-Back will be executed on the Buy-Back Date, which may depend in part on the Issuer's ability to liquidate its hedging arrangements (if any). The Buy-Back Price will be at the Issuer's discretion, calculated by reference to the fair market value of the Units on the Buy-Back Date, less any Fees, Costs and Taxes and Expenses.

Investors can contact the Distribution Manager on 1300 954 678 for an estimate of the Buy-Back Price before requesting an early withdrawal. This is an estimate only and the actual Buy-Back Price may be significantly different.

Section 8.4.3
"Investor Requested
Issuer Buy-Back"

Withdrawal prior to Maturity

The Issuer may deduct Expenses in relation to Early Maturity or an Issuer Buy-Back. The Expenses will form part of the calculation of the Buy-Back Price or Early Maturity Value as Expenses are part of the determination of fair market value.

Such amounts may include, but are not limited to costs incurred in terminating the Issuer's hedge positions, taxes or fees paid that are non-recoverable, administrative cost of processing the early termination, or loss of profits on the terminated positions. These costs will vary over time and are referable to the economic value that the Issuer achieves on the unwinding of its hedge positions so they cannot be determined with certainty at the time Investors acquire the Units.

Section 8.4
"Early Maturity"

Section 8.4.5
"Expenses on
Early Maturity or
Issuer Buy-Back"

Other information relating to the issue

Risks	Investment in the Units involves some risk. You should carefully consider the risk factors discussed in the Overview and Section 3 of this PDS.	Section 1 “Overview of the Units” Section 3 “Risk Factors”
Tax	<p>The potential taxation consequences of the Units are discussed in Section 4 of this PDS.</p> <p>The Issuer recommends that you seek your own personal financial and taxation advice before investing in the Units or entering into any subsequent dealing in the Units.</p>	Section 4 “Taxation”

1. Overview of the Units

Timeline of events¹

Opening Date	1 February 2010
Closing Date	16 April 2010
Commencement Date	30 April 2010 or as soon as reasonably practicable thereafter as determined by the Issuer.
First Period End Date	29 April 2011
Second Period Start Date	29 April 2011
Buy-Back Dates	Quarterly on the last Business Day of March, June, September and December, commencing in December 2010. Investors must lodge their Buy-Back request no later than 10 Business Days before the relevant Buy-Back Date.
Maturity Notices sent to Investors	Between 20 and 30 Business Days prior to Maturity Date.
Final day to return Maturity Notices to the Issuer	10 Business Days prior to Maturity Date.
Maturity Date	30 March 2012
Settlement Date	10 Trading Days after Maturity Date, or as soon as reasonably practicable thereafter.

¹If any date referred to in this PDS is not a Trading Day or Business Day, then the immediately following Trading Day or Business Day (or immediately preceding day which is both a Trading Day and a Business Day) will be used as appropriate. This timeframe of events is indicative only.

1.1 Simulated Past Performance of the Reference Index

The table below shows the monthly returns based on the simulated past performance of the Reference Index for dates from October 1997 to January 2010. The Reference Index was first calculated on 6 October 1997. This simulation has been provided to enable Investors to view the simulated returns on the Reference Index for the dates specified in the table. **Investors should note that this simulated performance is not a reliable indicator of future performance.** This simulation does not show the performance or return the Units would have generated.

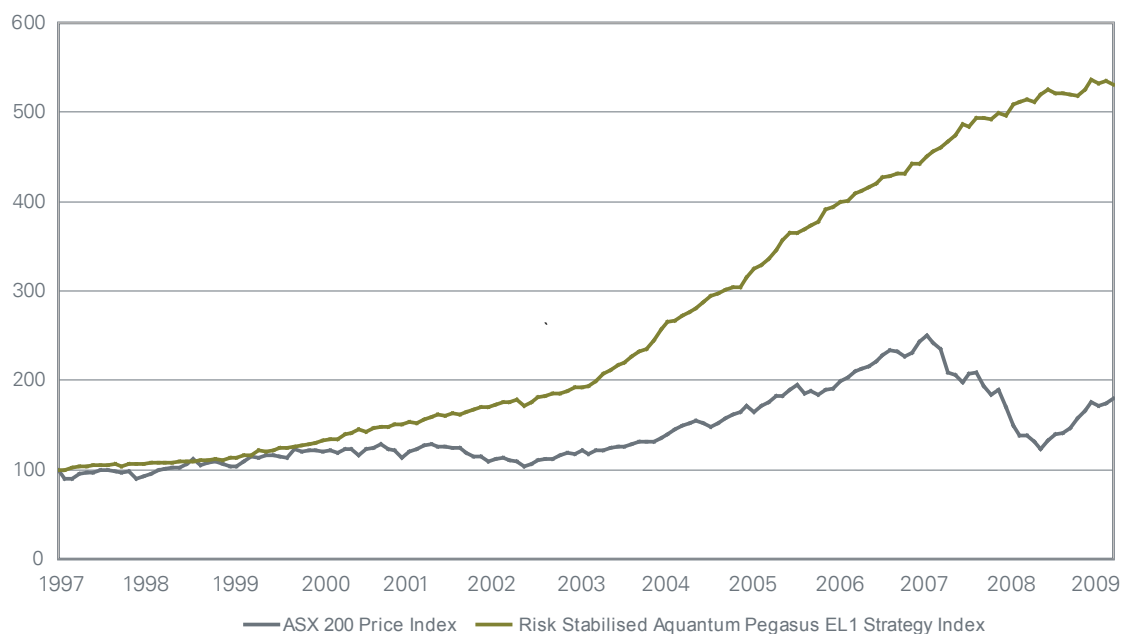
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Monthly Average
2009	-0.43%	1.61%	1.05%	-0.92%	0.02%	-0.11%	-0.36%	1.36%	2.01%	-0.60%	0.40%	-0.83%	3.19%	0.27%
2008	1.36%	1.38%	2.80%	-0.52%	1.97%	-0.12%	-0.15%	1.42%	-0.74%	2.58%	0.66%	0.38%	11.02%	0.92%
2007	0.77%	1.08%	1.05%	1.50%	0.34%	0.83%	-0.18%	2.61%	0.08%	1.84%	1.27%	0.96%	12.15%	1.01%
2006	2.90%	3.30%	2.28%	0.05%	1.04%	1.10%	1.39%	3.57%	0.76%	1.41%	0.39%	1.78%	19.98%	1.66%
2005	1.14%	1.77%	2.54%	2.21%	0.89%	1.46%	1.20%	-0.39%	3.97%	2.92%	1.34%	1.90%	20.94%	1.75%
2004	4.16%	1.95%	2.31%	1.60%	3.25%	2.20%	1.39%	4.11%	5.25%	3.20%	0.05%	2.48%	31.93%	2.66%
2003	1.45%	-3.96%	2.63%	3.38%	0.74%	1.27%	0.02%	1.92%	1.71%	0.41%	0.82%	2.63%	13.03%	1.09%
2002	2.24%	1.84%	-1.09%	1.42%	-0.53%	1.89%	1.62%	1.78%	0.04%	1.32%	1.51%	0.06%	12.10%	1.01%
2001	3.96%	0.80%	2.84%	-1.14%	3.05%	0.46%	0.14%	1.41%	-0.02%	1.94%	-0.28%	1.93%	15.09%	1.26%
2000	3.98%	-0.65%	1.47%	1.98%	-0.28%	1.43%	1.35%	0.48%	0.82%	2.92%	0.43%	0.20%	14.12%	1.18%
1999	0.74%	1.24%	-0.46%	0.71%	0.71%	0.57%	0.49%	-0.54%	1.89%	0.70%	2.29%	-0.04%	8.30%	0.69%
1998	0.38%	1.54%	-0.11%	0.51%	0.69%	-1.88%	1.74%	0.93%	0.17%	1.20%	-0.84%	-0.09%	4.24%	0.35%
1997										-0.55%	2.93%	0.63%	3.01%	1.00%

The returns in the table on page 13 are based on the increase in the Reference Index Value over the specified month.

The simulated performance of the Reference Index uses the historical values of the Risk Stabilised Aquantum Pegasus EL1 Strategy Index (USD) as published by Bloomberg. Investors should note that the simulated returns on the Reference Index in the table on page 13 have been calculated based on a backtest using historical data of the Underlying Index from the period of 6 October 1997 until 6 January 2010.

All fees, costs and charges of the Underlying Index have been taken into account when calculating the simulated returns of the Reference Index. However, the Issuer has not taken into account any costs associated with an investor investing directly in the Reference Index. In addition, the simulation assumes that the Reference Index was not terminated by the Reference Index Calculation Agent and where there was a Market Disruption Event or other event which prevented the publishing of a Reference Index Value, the Issuer has used a level on the following Business Day.

ASX 200 Price Index comparison with Risk Stabilised Aquantum Pegasus EL1 Strategy Index (USD)



The graph above shows the price comparison between the historical values of the S&P/ASX 200 Price Index and the simulated values of the Reference Index from 6 October 1997 until 6 January 2010. The graph has been rebased to 100 from 6 October 1997, based upon the closing levels of the S&P/ASX 200 Price Index, as published by S&P on each Trading Day during the period.

This simulation has been provided to enable investors to compare the performance of the S&P / ASX 200 Price Index versus the Reference Index on a historical basis. This graph does not show the performance or return the Units would have generated.

Investors should note that the simulated past performance and the historical levels of the S&P/ASX 200 Price Index is not a reliable indicator of future performance.

1.2 Fees and Costs

The table below shows the fees and costs associated with the Units, some of which will be paid by the Issuer and others by Investors. Investors should note that as a consequence of upfront fees, the initial bid price on the ASX may be materially below the Issue Price.

Fees and Costs	Amount	How and when paid
Entry Fees	Nil	
Management Fees	Nil	
Performance Fees	Nil	
Transfer Costs	Nil to the Issuer	
Adviser Fee	2.0% of the Notional Exposure (GST inclusive)	Paid upfront by the Issuer to your financial adviser. This is not an additional fee payable by Investors and will not affect the return Investors receive from the Units. Where there is no Adviser, this fee may also be paid to the Distribution Manager.
Distribution Manager Fee	1.8% of the Notional Exposure (GST inclusive)	Paid upfront by the Issuer to the Distribution Manager. This is not an additional fee payable by Investors and will not affect the return Investors receive from the Units.

For example, if an Investor purchases 2,500 Units, this provides a total Notional Exposure of \$25,000. In this instance, the Issuer will pay \$500 (i.e. 2% * \$25,000) to their financial adviser (or the Distribution Manager) and \$450 (i.e. 1.8% * \$25,000) to the Distribution Manager.

The fees associated with the dynamic management of the Reference Index are described in Section 1.3 "Description of the Reference Index". All Reference Index Values and figures for performance of the Reference Index are net of the Reference Index Fees.

Any additional fees or expenses of the Offer will be paid by the Issuer and will not affect the return Investors receive from the Units. These additional fees and expenses may include commissions and other fees payable to distributors or financial intermediaries in connection with the Units. If you acquire the Units through a financial planner or other distributor, you may wish to consider the Financial Services Guide or statement of advice provided to you by such person, which may describe any fees or expenses paid to them by the Issuer.

If the Units are disposed of at any time before the full 2-year Investment Term, Investors may receive less value for the Units than the Issue Price and will be obliged to pay any Expenses. For more information, see Section 2.12 "How do I close my investment?"

1.3 Description of the Reference Index

The Risk Stabilised Aquantum Pegasus EL1 Strategy Index (USD)² (**Reference Index**) is calculated and maintained by Future Value Consultants Limited (Reference Index Calculation Agent) based on a methodology developed by The Royal Bank of Scotland plc (Reference Index Sponsor).

The Reference Index aims to track a notional strategy that applies a risk stabilisation overlay to the Aquantum Pegasus EL Excess Return Index (USD) (**Underlying Index**).

The purpose of the risk stabilisation overlay is to actively adjust exposure to the Underlying Index after deduction of costs and fees based on the Volatility.

The Volatility is calculated as the maximum Realised Volatility over 5 consecutive Calculation Dates which are used as reference observation dates (each an Observation Date). The Realised Volatility is specifically a measure of how much the daily returns of the Underlying Index have fluctuated around their average over a defined time period of 20 days. The average is calculated as an arithmetic mean.

Exposure to the Underlying Index is reduced if the Volatility of the Underlying Index increases to certain levels. Conversely, exposure to the Underlying Index is increased if the Volatility decreases to certain levels. The variable Participation Rate provides for the Reference Index to have exposure to the Underlying Index within a range from a minimum of 0% to a maximum of 145%. The Participation Rate is determined according to the range that the Volatility falls within (regardless of whether the performance of the Underlying Index is negative or positive). The ranges of the Volatility and corresponding Participation Rate values are contained in the table in Section 10 "Formulae & Calculations".

The Reference Index Value is calculated daily by increasing or decreasing the exposure to the Underlying Index through the Participation Rate after the deduction of costs and fees. The Reference Index Value is calculated taking into account:

- the change in the level of the Underlying Index between the Calculation Dates;
- the Participation Rate on the Calculation Date two Calculation Dates prior; and
- the Reference Index Value on the previous Calculation Date.

Please refer to Section 10 "Formulae & Calculations" for more detail, including the formula for the calculation of the Reference Index and how the Final Underlying Price and Participation Rate are calculated.

Information about the past performance of the Reference Index can be obtained from Bloomberg code RBSAQLUI <Index> and at <http://www.futurevcindices.co.uk/showindex.cfm?id=166>³.

A copy of the Reference Index rules and methodology will be available from the Opening Date until the Maturity Date upon request at the offices of the Reference Index Sponsor at RBS Tower, 88 Phillip Street, Sydney NSW 2000. Investors should note that this description of the Reference Index is subject to the detailed provisions of the Reference Index Rules. In order to obtain the Reference Index Rules, an investor may need to give certain non-disclosure representations to the Reference Index Sponsor.

Fees of up to 18.65% (of which 15% are performance fees) are incorporated into the calculation of the Reference Index. Investors do not have to pay an additional amount upfront to cover the Reference Index Fees. However, these fees are deducted from the return on the Underlying Index when calculating the Reference Index and therefore affect the return Investors receive from the Units. The performance of the Reference Index in this document is net of the above fee.

²The Reference Index is expressed in USD. However, in calculating the returns on the Units, the absolute value at the Reference Index Value is used and the currency is ignored. The Coupon and Maturity Value are calculated by reference to the absolute value increase in the Reference Index Value over the relevant investment term and therefore, there is no exposure to any foreign currency.

³Please contact RBS if you would like information on the volatility of the Reference Index.

Aquantum Pegasus EL Excess Return Index (USD) (Underlying Index)

The Aquantum Pegasus EL Excess Return Index (USD) (Underlying Index) is a commodity market-neutral index linked to the performance of an advanced quantitative exchange traded commodities strategy. It is denominated in USD and is published daily.

The Underlying Index is a market-neutral strategy, which means that its performance should not depend on the direction of the exchange traded commodities to which the Index is linked.

The Underlying Index references a diversified portfolio of exchange traded commodities from various sectors including energy, metals, agriculture and livestock. As at the date of this PDS, the Index included 24 commodity futures contracts as set out in the table below.

Commodity	Percentage composition (as at the date of this PDS)
WTI Crude	9.75%
Natural Gas	9.75%
Heating Oil	9.00%
Gasoline	8.75%
Brent Crude	8.50%
Gas Oil	8.25%
Corn	7.75%
Live Cattle	5.25%
Soybean	4.50%
Sugar	4.00%
Copper (Comex)	3.50%
Wheat	3.25%
Kansas Wheat	2.50%
Lean Hogs	2.25%
Aluminium	2.00%
Copper (LME)	1.50%
Arabica Coffee	1.50%
Zinc	1.50%
Cotton	1.25%
Cocoa	1.25%
Soybean Oil	1.00%
Soybean Meal	1.00%
Nickel	1.00%
Lead	1.00%

The commodity futures contracts included in the Underlying Index do not generally change, although the percentage composition of each commodity is adjusted monthly. Under the strategy rules for the Underlying Index, particular commodities may be replaced where the market conditions change and the commodity futures contract is no longer sufficiently liquid, the commodity futures contract is no longer available, or it is necessary to remove or replace a commodity due to changes in CFTC regulatory requirements. A committee (comprising members from Aquantum Algorithmic Limited, RBS Sempra Energy Trading LLC and the Royal Bank of Scotland plc) is responsible for ensuring that the inclusion of commodities in the Underlying Index is in accordance with the strategy of the Underlying Index and that trading over the Underlying Index are conducted in accordance with all regulatory requirements. The committee does not make trading decisions, rather it provides a supervision function to ensure that the strategy of the Underlying Index is adhered to. Any decision to replace a commodity within the portfolio will be made by the committee, which will in turn review the liquidity of the underlying futures contract of any replacement commodity.

The weights in individual commodities are restricted to ensure diversification. The maximum weight of any individual commodity is 15% and each commodity has a minimum weighting of at least 1%. The weights of the commodities are a function of the liquidity of the underlying futures in the commodities. The weights are rebalanced monthly, to ensure that diversification remains intact. When rebalancing occurs, the liquidity of the underlying futures determines the adjusted weightings.

Based on two complimentary systematic trading programs, simultaneous long and short positions are established in certain exchange traded commodities contracts with different Expiry Dates with the aim of generating positive returns. The Underlying Index aims to deliver absolute returns with a low level of Volatility.

Market-neutral commodity trading, for a given underlying commodity, occurs when a long position in one commodity contract is offset by a short position in another commodity contract with a different Expiry Date (this is sometimes referred to as calendar spread trading). In such cases, the position is unlikely to be strongly impacted by price changes in the spot market, but instead exposed to the relative price moves between the different expiries.

The Underlying Index uses two systematic trading programs in conjunction. Each month, Program-1 (P1) takes leveraged long and short positions in all commodities contained in the Underlying Index and Program-2 (P2) takes positions in certain commodities at certain times of the year depending on the availability and periodicity of commodities contracts. Unlike equity markets, where futures contracts have regular (e.g. quarterly) Expiry Dates, commodity futures change their periodicity depending on seasonal factors which relate to, for example, summer and winter periods in energy markets, or harvest cycles in agricultural markets. P1 and P2 operate in tandem, aiming to provide stable and robust returns for the Index with all positions being rebalanced on a monthly basis.

P2 trading is dependant on the period cycles of the underlying futures contracts. Trading will only occur where there is an immediate front month contract and a following month contract available for trade. The availability of when a futures contract is tradeable will depend on its availability on the Relevant Exchanges and on seasonal factors. For example, during agricultural harvest periods, immediate futures contracts with April and May expiries could be actively traded instead of immediate contracts with March and June expiries, simply because the harvest of the relevant agricultural commodity occurs over the April and May period and not the March and June periods.

P2 is scheduled to buy the spot month contract, which is the first contract on the futures curve. Simultaneously, P2 is set up to sell the contract which expires immediately after the spot month contract, taking advantage of any near term price shocks in the market. P2 positions will only be traded if a spot month contract is available for the commodity in question. P1 is scheduled to sell the same contract as P2 and will buy the next contract on the futures curve.

The Underlying Index is leveraged – for every 1 USD invested – the Index will reference short positions and long positions with a total notional value of 3.5USD of each position.

The Underlying Index was created by Aquantum Algorithmic Ltd and RBS Sempra Energy Trading LLC acts as the hedging counterparty with respect to the securities linked to the Aquantum Pegasus EL Excess Return Index.

Source: The Royal Bank of Scotland plc

1.4 Worked Examples

The examples assume that:

- the Reference Index at Commencement Date is 550;
- 2,500 Units are held;
- no Early Maturity Event occurs during the Investment Term; and
- taxation implications for Investors are not considered (refer to Section 4 of this PDS).

The returns shown in this example are fictitious and are used only to demonstrate how the features of the Units work. They are not a forecast, do not indicate past performance and are not a guarantee that similar returns will be achieved in the future. Returns are not guaranteed.

Example 1: Calculation of the Coupon & Maturity Value

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Commencement Date	550	550	550	550
First Period End Date	580	580	520	520
Second Period Start Date	580	580	520	520
Maturity Date	630	560	540	500

Scenario 1

First Period Return = (Reference Index Value at First Period End Date – Reference Index Value at Commencement Date) / Reference Index Value at Commencement Date

$$= (580 - 550) / 550$$

$$= 0.0545$$

Coupon = Notional Exposure per Unit * Max (First Period Return, 0)

$$= \$10 * \text{Max} (0.0545, 0)$$

$$= \$10 * 0.0545$$

$$= \$0.545 \text{ per Unit}$$

Second Period Return = (Reference Index Value at Maturity Date – Reference Index Value at Second Period Start Date) / Reference Index Value at Second Period Start Date

$$= (630 - 580) / 580$$

$$= 0.0862$$

Maturity Value = Notional Exposure per Unit * Max (Second Period Return, 0)

$$= \$10 * \text{Max} (0.0862, 0)$$

$$= \$10 * 0.0862$$

$$= \$0.862 \text{ per Unit}$$

Therefore, as this example assumes a Holding of 2,500 Units, at the end of the First Period you would receive a Coupon of \$1,362.50 (i.e. \$0.545 * 2,500) and at Maturity you would receive a Delivery Parcel with a value of \$2,155.00 (i.e. \$0.862 * 2,500). Assuming an Issue Price of \$1.18, this translates to a profit of \$567.50 over the Investment Term. This is equivalent to a return of 9.62% p.a.

Scenario 2

First Period Return = (Reference Index Value at First Period End Date – Reference Index Value at Commencement Date) / Reference Index Value at Commencement Date

$$= (580 - 550) / 550$$

$$= 0.0545$$

Coupon = Notional Exposure per Unit * Max (First Period Return, 0)

$$= \$10 * \text{Max} (0.0545, 0)$$

$$= \$10 * 0.0545$$

$$= \$0.545 \text{ per Unit}$$

Second Period Return = (Reference Index Value at Maturity Value – Reference Index Value at Second Period Start Date) / Reference Index Value at Second Period Start Date

$$= (560 - 580) / 580$$

$$= -0.0345$$

Maturity Value = Notional Exposure per Unit * Max (Second Period Return, 0)

$$= \$10 * \text{Max} (-0.0345, 0)$$

$$= \$10 * 0$$

$$= \$0 \text{ per Unit}$$

Therefore, as this example assumes a holding of 2,500 Units, at the end of the First Period you would receive a Coupon of \$1,362.50 (i.e. \$0.545 * 2,500) and at Maturity you will receive nothing. This is because the Maturity Value is calculated by reference to the Second Period Return, and the Reference Index fell over the Second Period despite finishing at a higher level on the Maturity Date than the Commencement Date. Assuming an Issue Price of \$ 1.18, this translates to a loss of \$1,587.5 over the Investment Term. This is equivalent to a loss of 26.9% p.a.

Scenario 3

First Period Return = (Reference Index Value at First Period End Date – Reference Index Value at Commencement Date) / Reference Index Value at Commencement Date

$$= (520 - 550) / 550$$

$$= -0.0545$$

Coupon = Notional Exposure per Unit * Max (First Period Return, 0)

$$= \$10 * \text{Max} (-0.0545, 0)$$

$$= \$10 * 0$$

$$= \$0 \text{ per Unit}$$

Second Period Return = (Reference Index Value at Maturity Value – Reference Index Value at Second Period Start Date) / Reference Index Value at Second Period Start Date

$$= (540 - 520) / 520$$

$$= 0.0385$$

Maturity Value = Notional Exposure per Unit * Max (Second Period Return, 0)

$$= \$10 * \text{Max} (0.0385, 0)$$

$$= \$10 * 0.0385$$

$$= \$0.385 \text{ per Unit}$$

In this scenario, you will receive no Coupon at the end of the First Period. At Maturity you will receive a Delivery Parcel with a value of \$962.50. This is because the Reference Index rose across the Second Period. Assuming an Issue Price of \$1.18, this translates to a loss of \$1,987.50 over the Investment Term. This is equivalent to a loss of 33.69% p.a.

Scenario 4

First Period Return = (Reference Index Value at First Period End Date – Reference Index Value at Commencement Date) / Reference Index Value at Commencement Date

$$= (520 - 550) / 550$$

$$= -0.0545$$

Coupon = Notional Exposure per Unit * Max (First Period Return, 0)

$$= \$10 * \text{Max} (-0.0545, 0)$$

$$= \$10 * 0$$

$$= \$0 \text{ per Unit}$$

Second Period Return = (Reference Index Value at Maturity Value – Reference Index Value at Second Period Start Date) / Reference Index Value at Second Period Start Date

$$= (500 - 520) / 520$$

$$= -0.0385$$

Maturity Value = Notional Exposure per Unit * Max (Second Period Return, 0)

$$= \$10 * \text{Max} (-0.0385, 0)$$

$$= \$10 * 0$$

$$= \$0 \text{ per Unit}$$

In this scenario, you will receive no Coupon and no Delivery Parcel at Maturity. This is because the Reference Index fell across the First Period and the Second Period. At this example demonstrates, you may lose your entire Investment Amount.

Example 2: Calculation of the Delivery Parcel

This example assumes that the Maturity Value per Unit is \$0.862 (as in Scenario 1), you hold 2,500 Units and there are no applicable Costs and Taxes associated with delivering the ASX Listed Securities.

The total Maturity Value is \$0.862 per Unit * 2,500 = \$2,155.00

As there are 4 Delivery Assets, you will receive approximately \$538.75 (i.e. \$2,155.00 / 4) in value of each Delivery Asset. The number of each Delivery Asset you receive is calculated as \$538.75 divided by the Closing Price of that Delivery Asset.

The Delivery Assets are:

ASX Listed Security	Closing Price	Number of securities in Delivery Parcel
BHP Billiton Limited	\$37.20	14
Commonwealth Bank of Australia	\$50.90	10
Westpac Banking Corporation	\$25.22	21
Woolworths Limited	\$29.09	18

Due to the fact that a whole number of ASX Listed Securities must be delivered, the Delivery Parcel is valued at \$2,083.04. Therefore, there is a difference in value between the total Maturity Value and the Delivery Parcel of \$71.96 (i.e. \$2,155.00 less \$2,083.04). As this amount exceeds A\$20.00, this amount will be paid to Investors within 10 Business Days of the Settlement Date.

2. Details of the Units

2.1 What sort of investment is this?

If you purchase the Units, you enter into a deferred purchase agreement with the Issuer on the Terms set out in Section 8 of this PDS. As an integral part of the arrangement, each Investor in the Units will be entitled to a Beneficial Interest in a Portion of certain ASX Listed Securities that will be held for each Investor from time to time by the Trustee. The deferred purchase agreement gives you the right at Maturity to receive a number of ASX Listed Securities to represent the value of that Portion. The number of ASX Listed Securities you are entitled to receive at Maturity depends on the Maturity Value, and is calculated in accordance with the ASX Listed Security Formula (see Section 2.9 for more information).

The Units are “securities” and “warrants” as defined in the Corporations Act.

The Minimum Investment is detailed in the Offer Summary.

The Units create direct, unsecured, and unsubordinated obligations of the Issuer. The Units rank equally among themselves. The obligations of the Issuer under the Units rank equally with all other unsecured and unsubordinated obligations of the Issuer, except obligations preferred by law.

The returns (if any) deliverable on the Units are linked to the performance of the Reference Index over the Investment Term of the Units and are not subject to fluctuations in the value of the ASX Listed Securities.

Title to a Unit will be determined solely by who is entered on the Register in relation to that Unit. The Issuer will rely on the Register for the purpose of determining entitlements connected to the Units on the Maturity Date.

Both the Issuer and the Registrar are entitled to rely on the Register as constituting the sole and conclusive record of all the Units and as to the Investors in those Units. Neither the Issuer nor the Registrar shall be liable to any Investor for relying on the Register or for accepting in good faith as valid any detail recorded in the Register subsequently found to be forged, irregular or not authentic.

2.2 Coupon payment

There is the potential for a Coupon to be paid within 10 Business Days of the First Period End Date. The amount of the Coupon per Unit is calculated by multiplying the Notional Exposure by the greater of the change in the Reference Index over the First Period and zero.

See the Offer Summary and Section 1 “Overview of the Units” for the strategies and methods by which the value of the Coupon is calculated. See also Section 1.4 “Worked Examples.”

2.3 Maturity Value

Returns during the Second Period paid to Investors are calculated based on the Maturity Value calculation. This involves multiplying the Notional Exposure by the greater of the change in the Reference Index over the Second Period and zero.

See the Offer Summary and Section 1 “Overview of the Units” for the strategies and methods by which the value of the Units is calculated. See also Section 1.4 “Worked Examples.”

2.4 ASX Listed Securities

The ASX Listed Securities which you can receive at Maturity will consist of ordinary shares in the companies detailed in the Offer Summary.

If any of the ASX Listed Securities are unavailable for delivery at Maturity, the Issuer, with the consent of the ASX, may deliver any other securities traded on the ASX.

2.5 What happens at Maturity?

At Maturity you will be entitled to receive a number of ASX Listed Securities, having an equivalent value to the Maturity Value. The Maturity Value is an amount calculated by reference to the performance of the Reference Index. The securities delivered at Maturity will be approximately in equal value to the ASX Listed Securities listed in the Offer Summary (subject to any adjustment as a result of certain Adjustment Events and the ability for the Issuer to procure these shares for delivery). The ASX Listed Securities will be issued on the issuer sponsor sub-register of the ASX Listed Securities.

You will need to consider whether the ASX Listed Securities will be a suitable investment for you at Maturity. Alternatively, you can request that the Issuer arrange for the sale of your ASX Listed Securities and therefore receive a cash payment (the Sale Proceeds) under the Agency Sale Arrangement. This may have tax consequences based on your financial arrangements for your investment and you should consider the information about taxation in Section 4 of this PDS and consult your financial and taxation adviser before you invest or elect to use the Agency Sale Arrangement.

Following Maturity of the Units, you will no longer have any exposure to the Reference Index or the Underlying Index. You will receive physical delivery of the ASX Listed Securities on the Settlement Date and from that point in time have exposure to the ASX Listed Securities.

See Section 8.3 “Maturity and Settlement of Deferred Purchase” for more information.

2.6 Agency Sale Arrangement

If you wish for the Issuer to arrange for the sale of your ASX Listed Securities, you may elect in your Maturity Notice (see below) to enter into the Agency Sale Arrangement with the Issuer. You will receive the Sale Proceeds within 10 Business Days of the Settlement Date, or as soon as reasonably practicable thereafter.

See Section 8.3.4 “Delivery through the Agency Sale Arrangement” for further information.

2.7 Maturity Notice

Investors will be sent a Maturity Notice between 20 and 30 Business Days prior to the Maturity Date. You must complete the Maturity Notice by specifying whether you wish to accept physical delivery of the ASX Listed Securities, or use the Agency Sale Arrangement and return it to the Issuer at least 10 Business Days prior to the Maturity Date.

If you do not return the Maturity Notice to the Issuer by this date, you will be deemed to have elected to take physical delivery of the ASX Listed Securities.

See Section 8.3 “Maturity and Settlement of Deferred Purchase of the Terms” for more information.

2.8 Early Maturity

There may be an Early Maturity where certain events occur for which the Issuer has, subject to the ASX’s consent, discretion to nominate an Early Maturity Event. The Issuer will issue an Early Maturity Notice which will specify whether the Early Maturity will occur by delivery of ASX Listed Securities or by Refund. See Sections 8.4.1 “Early Maturity by the Issuer” and 8.4.4 “Early Maturity Mechanism” of the Terms for more information.

2.9 How do I receive my return?

At Maturity of the Units, you will be entitled to receive a number of ASX Listed Securities, having an equivalent value to the Maturity Value. If more than one ASX Listed Security is to be delivered, then the Issuer will deliver approximately equal values of each security. The number of ASX Listed Securities to be delivered by the Issuer to the Investor on the Settlement Date is determined by the following formula (the “ASX Listed Security Formula”):

$$\frac{(MV \times N) - \text{Costs}}{CP}$$

where:

- MV** = Maturity Value per Unit
- N** = Number of the Units held by each Investor
- CP** = Average of the Closing Prices of the ASX Listed Securities
- Costs** = Any applicable Costs and Taxes associated with delivering the ASX Listed Securities

The Issuer will deliver the ASX Listed Securities to you on the Settlement Date which is the 10th Trading Day after the Maturity Date, or such other date as necessary for the Issuer to fulfil its obligations under the Terms. If you elect to use the Agency Sale Arrangement, then the Issuer or its nominee will accept the ASX Listed Securities on your behalf, and will then sell the ASX Listed Securities. The Issuer or its nominee will deliver the Sale Proceeds to your nominated account (or if no account is nominated, by cheque) within 10 Business Days of the Settlement Date, or as soon as practicable thereafter.

2.10 Initial Applications

To apply for the Units, an Investor must complete the Application Form included at the back of this PDS. Completed Application Forms must be lodged with the Registrar as per the instructions in this PDS and/or on the Application Form. The Units must be paid for in full by Direct Debit or cheque by the Closing Date to the Issuer as set out in the Application Form unless prior arrangements have been made with the Issuer.

Any Application received after the Closing Date may not be accepted. The Issuer may request additional information or documentation from the Applicant in order to verify the Applicant’s identity or for any other purpose. The Issuer reserves the right to refuse any Application (including where an Applicant does not provide further information or documentation as requested by the Issuer) or to accept any Application in part only, without giving a reason. The Issuer may also elect at its complete discretion to change or defer the Opening Date or Closing Date.

If the Issuer rejects an Application in full or in part, the balance of the Application money will be returned within five Business Days of the expected Commencement Date. No interest will be paid on those Refunds.

Further information on how to apply for the Units is set out in Section 11 of this PDS entitled “How to Invest.”

2.11 Issue of Units

The Units will be issued to the successful Applicants upon acceptance of their Applications and within 30 days of receipt of Application monies. The Issuer will advise successful Applicants of the acceptance of their Application as soon as practicable after the Commencement Date. Investors should note that Units may be issued prior to the Commencement Date, however exposure to the Reference Index will only begin on the Commencement Date.

2.12 How do I close my investment?

The Issuer’s obligation to deliver the number of ASX Listed Securities having a value equivalent to the Maturity Value is illustrated in Section 1.4 entitled “Worked Examples”

Neither the Issuer nor any of its directors or employees or any other person accepts any liability or responsibility should any Applicant for the Units attempt to sell or otherwise deal with any Units before being advised by the Issuer of the number of Units (if any) allotted to them.

Please refer to Section 1.2 for any applicable Fees associated with closing or transferring your Units.

The Issuer and the Registrar will be entitled to accept and assume the authenticity and genuineness of any Unit of transfer or other document, and will not incur any liability for registering any Unit of transfer which is subsequently discovered to be a forgery or otherwise defective, unless the Issuer or the Registrar had actual notice of such forgery or defect at the time of registration of such Unit of transfer.

Issuer Buy-Back

You may request an Issuer Buy-Back in respect of all of your Units. The Issuer has discretion to accept, reject or hold over a request for an Issuer Buy-Back. The Buy-Back will be executed on the Buy-Back Date which may depend in part on the Issuer's ability to liquidate its hedging arrangement (if any). The Issuer will not accept a Buy-Back request while a Market Disruption Event is subsisting. The Buy-Back Price will be at the Issuer's discretion, to be calculated by reference to the fair market value of the Units on the Buy-Back Date, less any applicable Fees, Costs, Taxes and Expenses.

Investors can contact the Distribution Manager on 1300 954 678 for an estimate of the Buy-Back Price before requesting a Buy-Back. This is an estimate only and the actual Buy-Back Price may be significantly different.

Factors that affect the Buy-Back Price may include the performance of the Reference Index, market prices of the Reference Index, price volatility, interest rates and the time to Maturity. However, it is difficult to predict the precise impact these factors may have. The table below illustrates how a change in these factors may affect the Buy-Back Price.

Price variable	Change in variable	Effect on Buy-Back Price
Performance and price of the Reference Index	↑	↑
Price volatility	↑	↓ or ↑
Interest rates	↑	↓
Time to expiry	↓	↓

2.13 Complaints

The Issuer has established a complaints handling and dispute resolution process for Investors. See Section 7.2 "What happens if there is a dispute concerning the Units?" for more information.

2.14 Governing Law

The issue of Units is subject to the laws of Australia.

3. Risk Factors

Investments in the Units carry a degree of risk including, but not limited to, the risks referred to below.

Prospective investors should ensure they understand the investment and carefully study the risk factors set out in this PDS before they invest in the Units.

Please see the Overview for risks relating to this Offer.

The information in this PDS is intended to provide Investors and their professional advisers with information they would reasonably require and expect to find for the purpose of making an informed assessment of the Units and the capacity of the Issuer to fulfil its obligations under the Units and the risks, rights and obligations associated with the Units. It is impossible for documents of this type to take into account the investment objectives, financial situation and particular needs of each Investor. Investors should consult their financial adviser before deciding whether to invest. Accordingly, nothing in this PDS should be construed as a recommendation by the Issuer or any other person concerning investment in the Units.

3.1 What are my risks?

The principal risk for Investors in the Units is not receiving the returns described in this PDS, namely that Investors:

- may not receive any returns on the Units; and
- may be unable to recover all or any of the Issue Price of the Units.

3.1.1 Risks to receiving returns

This is the risk that you may receive less than the Issue Price, with the possible total loss of your Investment Amount. This could happen for a number of reasons:

- **Counterparty risk:** If the Issuer or Guarantor is placed in liquidation or receivership (however described in any relevant jurisdiction) or statutory management, or is otherwise unable to meet its debts as they fall due. In this situation, the Investor could receive none, or only some, of the amount invested;
- **Insolvency risk:** No Investor in the Units will be liable to pay any further amounts to the Issuer or any other person in respect of the Units if each of the Issuer and Guarantor becomes insolvent.

The obligation to deliver the ASX Listed Securities on Maturity of the Units is a direct, unsecured and unsubordinated obligation of the Issuer guaranteed by the Guarantor. This means that in the case of a liquidation of the Issuer or Guarantor:

(a) the Investors' rights to delivery of the number of ASX Listed Securities in respect of the Units will rank after the claims of:

- persons to whom preferential payments must be made; and
- secured creditors (if any).

(b) Investors' claims will thereafter rank equally among themselves and with all other unsecured and unsubordinated indebtedness of the Issuer or Guarantor; and

- **Credit risk:** Credit risk is the risk that the Issuer or Guarantor will fail to perform its obligations to the Investors or that the credit quality of the Issuer or Guarantor deteriorates. The generation of any particular rate of return from investing in the Units is not guaranteed. Investors may not recover their initial investment or make any returns on the Units if the Issuer and Guarantor are put into liquidation or are unable to meet their obligations. Each Investor must make its own assessment of the ability of the Issuer or Guarantor to fulfil their respective obligations. A relevant factor for this assessment is the financial strength of the Issuer and the Guarantor. Financial information for the Issuer and Guarantor is available at www.investors.rbs.com/our_performance/results.cfm.

3.1.2 Risks to return

This is the risk that you will not receive the returns described in this PDS. This could happen because:

- **General market risks:** The market price of the Units will be subject to general index movements, macroeconomic risks, supply and demand and perceived changes in the creditworthiness of the Issuer and Guarantor or other reasons. For instance, the value of the Units may fall if the Reference Index falls in value and vice versa;
- **Commodity risks:** The performance of the Reference Index is dependant on the performance of the Underlying Index, which itself depends on the performance of its components. The Underlying Index references a diversified portfolio of commodity futures. The level of the Underlying Index is subject to the performance of the individual commodity futures included in the index. Performance of the Underlying Index will be influenced by economic and industry conditions. In particular, investors should understand that investments in Units relating to commodity markets may be negatively affected by global economic, financial, natural, environmental and political events and developments, and that such events and developments, among other things, may have a material effect on the value of the Underlying Index and/or the performance of the Reference Index;
- **Tax risk:** Changes are made to the taxation of either the Issuer or the Investors – a change in the tax treatment of the Units or returns from the Units may affect the returns, see Section 4 "Taxation" for more information.

- **Asset class risks:** The Units relate to a specific underlying asset. Returns from the underlying asset(s) may fluctuate significantly and affect the returns on the Maturity Date. The market price of the Units may be very volatile.

The Units are a speculative investment and may produce less returns than other similar investments, or no return at all. Investors should not expect the return on their investment to be the same as a return on the equivalent investment in the actual asset(s) underlying the Reference Index. In many cases, the reference assets that are used in the Reference Index will not be perfectly correlated with an investment in the actual asset or market.

Further, Investors will not receive dividends, distributions or any other rights in respect of the actual assets underlying the Reference Index.

If there is an Adjustment Event, the Issuer can take certain actions under the Terms of the Units, including substituting part or all of the affected underlying ASX Listed Securities, amending any variable, formula, amount or calculation, or suspend calculations referred to in the Terms. If in the reasonable opinion of the Issuer it is not possible or desirable to deal with the Adjustment Event in this manner, then the Issuer can nominate an Early Maturity Event.

A further risk exists if there is a Market Disruption Event, including a suspension of trading on any of the markets for the relevant indices or assets, or if any of the relevant indices or assets cease to exist or fail to be calculated and published, or if the method of calculation materially changes or if the relevant indices or assets are otherwise materially modified. If there is a Market Disruption Event on any Valuation Date, then the relevant Valuation Date will be the following Trading Day on which a Market Disruption Event did not occur.

If there is a Market Disruption Event on the scheduled Maturity Date then the Maturity Date will be such other date as is determined by the Issuer, in its absolute discretion, as is reasonably necessary for the Issuer to fulfil its obligations under the Units or unwind and settle any hedging arrangements it has in place in respect of the Units. The Issuer must as soon as practicable (and in no event later than five Trading Days after the original date that, but for the occurrence or existence of a Market Disruption Event, would have been the Maturity Date) notify Investors of the existence or occurrence of the relevant Market Disruption Event.

As at the date of this PDS, the Issuer cannot determine the amount Investors would receive if a Market Disruption Event occurs.

Please refer to Section 8.5 “Adjustment Events and Market Disruption Events” of the Terms for more detail.

3.1.3 Secondary market risks

There is a risk that Investors will lose some of their total Investment Amount due to:

- Investors being unable to easily sell all the Units due to lack of liquidity in any secondary market;
- Investors disposing of the Units before Maturity; and
- there being no assurance that the Issuer (or its nominee) will buy back your Units (and there is no obligation on the Issuer to do so). Buy-Back requests are irrevocable and the Issuer might not accept a request immediately but hold it over. This may delay the processing of an Investor’s Buy-Back request and may impact the Buy-Back Price an Investor receives.

3.1.4 Other risks

Economic conditions

General economic factors such as economic activity, inflation, currency fluctuations, industrial disruption, interest rate fluctuations and changes in laws and government policy in jurisdictions where the Issuer or Guarantor conducts business may have an adverse impact on the Issuer’s or Guarantor’s business, financial condition and/or performance.

Changes in law

The conditions of the Units are based on Australian law in effect as at the date of this PDS. Changes in the law or its interpretation, including taxation and corporate regulatory laws, practice and policy, could have a negative impact on the returns to Investors.

In particular, the change of law risk in the context of income tax is discussed in Section 4 “Taxation”. Investors should review the tax opinion with their own tax adviser.

Expenses

The Issuer may deduct Expenses in relation to Early Maturity or a Buy-Back. The Expenses will form part of the calculation of the Buy-Back Price or Early Maturity Value as Expenses are part of the determination of fair market value. Expenses include all costs, expenses and losses incurred by the Issuer as a result of the determination of an Early Maturity Date, Buy-Back Date or other early termination, unwinding of any hedge position entered into in connection with the Units, or any loss of bargain. Expenses could be significant and may not be in your favour.

Legal investment considerations may restrict certain investments

The investment activities of certain Investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential Investor should consult its legal advisers to determine whether and to what extent;

- (a) the Units are legal investments for that Investor,
- (b) the Units can be used as collateral for various types of borrowing, and
- (c) other restrictions which apply to its purchase of any of the Units. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Units under any applicable risk-based capital or similar rules.

Substitution of the ASX Listed Securities

The Issuer may determine that in certain circumstances it is not reasonably possible to obtain or transfer one or more of the ASX Listed Securities on Maturity, subject to the ASX's consent. If this happens, the Issuer may substitute one or more of the ASX Listed Securities with any other security listed and trading on the ASX that are part of the S&P/ASX 200 Index.

Foreign exchange

The Units provide an Australian Dollar exposure. However, performance of the Reference Index may, amongst other things, be affected by currency movements. Returns of the Units at the end of the First Period and the end of the Second Period have been hedged to eliminate any risks of exchange rate movements.

3.2 ASX Listed Securities

The Units, and (once you receive the ASX Listed Securities at Maturity) the ASX Listed Securities are subject to all the market risks and other risks inherent in ownership of listed securities. Such risks include but are not limited to a fall in market value, or illiquid trading following Maturity of the Units.

Before you take delivery of the ASX Listed Securities you should first seek independent professional advice with regards to the future prospects of the ASX Listed Securities.

Some of the above considerations may result in the market value of the ASX Listed Securities transferred to you being less than the Maturity Value. If you do not want to bear these risks, you may wish to elect to receive the Sale Proceeds by entering into the Agency Sale Arrangement. However, you should consult your financial and taxation adviser about the taxation and financial consequences of doing so.

In particular, it may have consequences for deductibility of any financing of your investment in the Units.

Trading strategy

The Reference Index follows a notional rules-based proprietary trading strategy that operates on the basis of pre-determined rules. Investors should consider whether an exposure to the Reference Index is appropriate in light of their individual circumstances and objectives.

Complex financial instruments

The Units are complex financial instruments and can, in certain circumstances, provide a high level of enhanced exposure to the Reference Index and the Underlying Index. The Units may not be a suitable investment for all investors.

Reference Index risk

The Reference Index may not be successful and may perform worse than alternative strategies (including a direct investment in the Underlying Index).

No recourse to assets.

The Reference Index is purely synthetic and the exposure to the strategy and Underlying Index is notional and exists only in the records held by the Reference Index Sponsor. There are no assets to which any person is entitled or in which any person has any ownership interest or which serve as collateral. No investor has any rights in respect of any components of the Underlying Index.

Changes to the Reference Index and Underlying Index

The methodology and rules relating to the Reference Index and calculation of Reference Index Value may be amended, modified or adjusted from time to time by the Reference Index Calculation Agent and/or the Reference Index Sponsor. Any such amendment may have an adverse effect on the Reference Index without the consent of or notice to Investors in the Units. Similarly, the rules relating to the Underlying Index may be amended, modified or adjusted from time to time and this will affect the returns on the Reference Index and therefore the Units.

3.3 Conflicts of interest

The Issuer and other RBS Group companies may conduct transactions as principal and as agent in various securities including the ASX Listed Securities or the financial products which comprise the Underlying Index and the Reference Index. These trading activities may affect (positively or negatively) the price at which the ASX Listed Securities trade, or the level of the Underlying Index, the Reference Index or the Units at any point in time.

The Issuer is responsible for the application of the Reference Index. The Reference Index Sponsor is also related to the Issuer. Actions of the Issuer, Reference Index Sponsor and the Issuer's related entities may affect the value of the Units. The Issuer and its related parties may have a conflict of interest in making relevant calculations and determinations, however, investors should note that these are done in accordance with the pre-determined Reference Index.

3.4 Exercise of discretion of RBS Group – Market Disruption Event and Index Change risk

Investors should note that a number of provisions of the Terms confer discretions on the Issuer, the Guarantor and their associates which could affect the value of the Units. These include the powers to calculate the value of the Reference Index.

Investors in the Units have no power to direct the Issuer concerning the exercise of any discretion.

3.5 Change in Terms

The Terms applicable to the Units may be changed, where:

- the variation is necessary or desirable in the opinion of the Issuer (including to comply with any statutory or other requirement of law or for any other reason);
- the variation is desirable to correct any defect, manifest error or ambiguity if, in the Issuer's opinion, the variation could not materially prejudice the interests of the Investor;
- the change is determined by the Issuer as being required under either clause 8.4 or 8.5 of the Terms; or
- approved by resolution of 75% of Investors in the Units who vote in favour of the proposed variation.

See Section 8.13 "Amendment of Terms" for more information.

4. Taxation

This summary was prepared by Baker & McKenzie and provides a general outline of the main Australian income tax, goods and services tax, and stamp duty implications arising for an Investor who:

- (a) will hold the units until Maturity and will hold the ASX Listed ordinary shares ("Delivery Assets") which are related to their Units post Maturity (i.e., without using the Agency Sale Arrangements); and
- (b) is an Australian resident operating from Australia for the purposes of this investment.

Investors who:

- (a) are engaged in a business of trading or investment of securities who acquire the Units for the purpose of resale at a profit; or
- (b) those which are banks, insurance companies, tax exempt organisations or superannuation funds,

may be subject to special or different tax consequences peculiar to their circumstances which are not discussed in this section.

The taxation of Investors who invest in the Units through a platform or Investor Directed Portfolio Service ("IDPS") will be affected by the arrangements governing the platform or IDPS. Such Investors should refer to the information provided by that platform provider or IDPS operator in relation to the tax implications of investing through the platform or IDPS.

The following discussion is based on Australian law and administrative practice as at 21 January 2010. Investors should be aware that the ultimate interpretation of the taxation law rests with the federal Commissioner and Taxation Courts and that the law, and the way the ("Commissioner") and state and territory revenue authorities administer the law, may change at any time.

This statement is necessarily general in nature and does not take into account the specific taxation circumstances of each individual Investor. Investors should seek independent professional advice in relation to their own particular circumstances before making any investment decision.

References in this section to the "1936 Act" and the "1997 Act" are references to the *Income Tax Assessment Act 1936 (Cth)* and the *Income Tax Assessment Act 1997 (Cth)*, respectively.

Baker & McKenzie is not involved in the marketing of the units and its role should not be interpreted to mean that it encourages any party to invest.

4.1 Coupon Payment

The Coupon payment received should be characterised as ordinary income and should be included in the Investor's assessable income in the income year they are received by an Investor.

4.2 Capital Gains Tax ("CGT")

Delivery of Delivery Assets

In making an investment in the Units, an Investor has contracted to purchase from the Issuer the Delivery Assets.

In *Taxation Determination TD 2008/22*, the Commissioner states that an investor's rights under financial products similar to the Units constitute a discrete CGT asset and the delivery of the Delivery Assets on Maturity triggers CGT event C2 for the Investor. Based on this interpretation of the CGT rules, an Investor makes a capital gain on Maturity equal to the difference between the market value of the Delivery Assets (determined at that time) less the Investor's cost base in the Unit.

We consider that an Investor's cost base in a Unit should include:

- (a) the money the Investor pays to acquire the Unit (i.e., the Issue Price);
- (b) the incidental costs of acquisition and disposal; and
- (c) the costs of ownership of the Unit (e.g., interest which an Investor incurs as a result of borrowing funds to acquire the Unit where the interest is not otherwise allowable as a tax deduction).

Alternatively, Investors may make a capital loss equal to the difference between the Investor's reduced cost base in the Units and the market value of the Delivery Assets (determined at that time). The reduced cost base of a Unit should include a and b, but not c (refer above).

CGT discount provisions

Capital gains made by individuals regarding assets held for at least 12 months that are assessed under the CGT provisions in Part 3-1 of the 1997 Act can qualify for the CGT discount concessions - under which the assessable portion of any capital gain is discounted by 50%. For complying Superannuation Funds and virtual PST assets of life insurance companies, the discount is 33 $\frac{1}{3}$ %. Companies do not qualify for this discount.

An Investor is required to first apply any prior year or current year capital losses against the full capital gain before applying this CGT discount to the remaining net amount.

For these purposes, an Investor is considered to have acquired their rights in a Unit on the day they enter into the Unit. CGT event C2 happens when the Delivery Assets are received. As such, an Investor who holds the Unit for its term should satisfy this 12-month holding period.

Alternate tax treatment

In light of the features of the Unit, in particular the fact that:

- (a) the 2 year term of this investment is less than the 3-5 year term specified by the Commissioner in *TD 2008/22*, from which the above CGT analysis is based; and
- (b) the manner in which the Coupon for the first year is determined;

there is a risk that the Commissioner will consider that the Unit falls outside the scope of the *TD2008/22*. Should the Commissioner form this view, the gain derived by an Investor from investing in this product could be assessable as ordinary income at the time the Delivery Assets are sold (discussed below). This is likely to be the case if the Investor relies on the Agency Sale Arrangement or transfers the Unit during its term. In these circumstances, the CGT discount referred to above would not be available (which is only available for capital gains and not ordinary income). Ultimately, the risk of this tax treatment will depend on the Investor's own circumstances and should be discussed with a tax adviser.

Disposal of Delivery Assets

The Delivery Assets are also CGT assets. Any subsequent disposal of the Delivery Assets by an Investor should constitute a CGT event at the time the contract for disposal is executed.

An Investor should be assessed on any capital gain made from the CGT event. The capital gain should be the difference between the capital proceeds received on disposal, less the cost base which the Investor has in the Delivery Assets. If the capital proceeds received by an Investor are less than the reduced cost base that the Investor has in the Delivery Assets, then the Investor should make a capital loss. Capital losses can be offset against taxable capital gains made by an Investor but not against other types of income.

The capital proceeds which an Investor receives will be the cash or other property the Investor receives or is entitled to receive when the Investor disposes of the Delivery Assets.

If the delivery of the Delivery Assets is a CGT Event in accordance with *TD 2008/22*, then the Investor's cost base in the Delivery Assets should be their market value at the time of delivery.

CGT discount provisions

An Investor who is an individual may claim the benefit of the CGT discount (as described above) on any capital gain made on the disposal of the Delivery Assets where they have held the Delivery Assets for more than 12 months. In *TD 2008/22*, the Commissioner has stated that for CGT purposes, an Investor acquires the Delivery Assets at the time of delivery. Accordingly, the Commissioner reasons that the 12-month holding requirement will be counted from this date.

Alternate tax treatment

If the alternate tax treatment referred to above applies, and the gain is seen as a revenue gain, the entire gain will be assessable as ordinary income at the time the Delivery Assets are sold (and the discount CGT provisions referred to above will be irrelevant).

Agency Sale Arrangement

At Maturity, an Investor can choose to accept delivery of the Delivery Assets or, alternatively, enter into the Agency Sale Arrangement. The capital gains tax consequences of an Investor using the Agency Sale Arrangement are the same as outlined above in relation to the consequences of an Investor selling Delivery Assets which they received on Maturity.

If an Investor purchases a Unit and uses the Agency Sale Arrangement, an Investor may be assessed as ordinary income on any gain or loss made from using the Agency Sale Arrangement, rather than under the CGT as described in the preceding paragraph. In such a situation, the Investor would not be entitled to the CGT discount.

Early Maturity and Early Redemption

In the case of Early Maturity or Early Redemption, there is a risk that any gain will be assessed as ordinary income, in which case the Investor will not qualify for the concessional CGT rules. This will depend on the circumstances in which these events occur.

Non-resident Investors

Non-resident Investors (who do not carry on business through an Australian permanent establishment) should not be subject to taxation in Australia on their investment in the Units or the Delivery Assets as the Units and Delivery Assets should not be considered taxable Australian property (this is the jurisdictional limit of the Australian capital gains tax provisions).

4.3 Security

A Unit should not be characterised as either a "qualifying security" for the purposes of Division 16E of the 1936 Act or a "traditional security" for the purposes of sections 26BB and 70B of the 1936 Act. This is because a Unit is a contract for the delivery of the Delivery Assets and is, therefore, not a "security" as defined for the purposes of these provisions. Accordingly, those provisions should not apply to a Unit acquired by an Investor. This view is supported by the Commissioner in *Taxation Determination TD 2008/21*.

4.4 Complying Superannuation Funds

In addition to the general discussion on interest deductions, complying Superannuation Funds must also consider the rules contained in the *Superannuation Industry (Supervision) Act 1993 (Cth)* and the *Superannuation Industry (Supervision) Regulations 1994 (Cth)* if they are considering borrowing to purchase the Units.

4.5 Interest Deductions – All Investors

Investors should seek their own independent advice as to their own individual ability to deduct any interest expenses and borrowing expenses related to funds borrowed to invest in a Unit.

As a general rule, interest on money borrowed for the purpose of deriving assessable income is deductible as the liability accrues. However, this general rule is subject to various qualifications.

Relevantly, if the assessable income (other than capital gains) from an investment is exceeded by the related deductible expenses, the Commissioner may focus on the Investor's purpose for undertaking the investment. If the deficit can only reasonably be explained by reference to factors such as the reduction of tax or the making of a capital gain, the deficit may not be deductible. As a practical matter, the relevant question is whether, at the time the investment was entered into, it was reasonably likely the income (other than capital gains) from the investment would exceed the related deductible expenses. Investors should also be aware that certain timing rules exist, where an Investor chooses to prepay interest. As a rule, interest prepaid on money borrowed to acquire a Unit would likely be caught by these prepayment rules - spreading the interest deduction over the interest period to which it relates.

4.6 Part IVA of the 1936 Act

Part IVA includes the general anti-avoidance regime for income tax. Broadly, Part IVA can apply to an Investor's investment if any party has entered into this arrangement for the dominant purpose of enabling the Investor to obtain a tax benefit. A tax benefit can include deferring the recognition of assessable income to a later year of income, or converting an assessable income amount into a discount capital gain.

An Investor in this product may obtain a tax benefit. Relevantly, if an Investor acquired, or had a right to acquire, an interest in certain types of offshore investments, the investment would be assessed on an accruals basis over the term of the investment under the Foreign Investment Fund provisions of the 1936 Act (unless the Investor qualified for a particular exemption from those rules).

Therefore, the application of Part IVA of the 1936 Act depends on whether, viewed objectively, an Investor would be taken to have invested in this product with the dominant purpose of obtaining a tax benefit. This depends on the circumstances of each Investor. Depending on the profile of the Investor, the Commissioner may need to weigh the commercial advantages of investing in the Unit - including those set out in this PDS - against the tax benefits referred to above.

Investors should discuss the potential application of Part IVA with their own tax adviser.

4.7 Taxation of Financial Arrangements

The *Tax Laws Amendment (Taxation of Financial Arrangements) Act 2009 (Cth)* contains the final stages of the Taxation of Financial Arrangements ("TOFA") reforms. There are a number of exclusions from TOFA. Specifically, the TOFA rules should not apply to superannuation entities with assets of less than \$100 million or individuals who hold a Unit since the Unit is not regarded as a 'qualifying security' (refer to the previous discussion). Other Investors should seek their own advice as to the possible application of the TOFA regime to their investment in a Unit.

4.8 Stamp Duty

As the Delivery Assets are ASX-listed ordinary shares, no stamp duty will be payable on the issue or transfer of a Unit or the acquisition of the Delivery Assets, provided that the ASX listed ordinary shares are quoted on the ASX at all relevant times (including, for example, the dates of issue of the Units and acquisition of the Delivery Assets) and the Delivery Assets will not represent 90% or more of the issued capital of any of the issuing companies.

If stamp duty becomes payable by the Issuer in connection with the terms of this PDS, or as a consequence of or in connection with the purchase, sale or transfer of, or the Maturity of the purchase and sale of the Delivery Assets or the Units, then the Issuer can, under the terms of this PDS, require an Investor to pay such stamp duty.

4.9 Goods and Services Tax ("GST")

The sale and acquisition of shares (including a right to acquire shares) is likely to be an input taxed financial supply and as a result no GST should be payable in respect of the acquisition of the Delivery Assets or the Units.

If GST becomes payable by the Issuer in connection with the terms of this PDS, or as a consequence of or in connection with the purchase, sale or transfer of, or the Maturity of the purchase and sale of the Delivery Assets or the Units, then the Investor can be required to pay an additional amount on account of such GST.

An Investor is unlikely to be entitled to full input tax credits for GST paid on the acquisition of goods and services (for example, financial advisory services or brokerage) relating to the issue of the Units and acquisition and/or subsequent sale of the Delivery Assets. This will depend on the Investor's personal circumstances.

5. Description of the Issuer and Guarantor

Introduction

The viability of the Units depends upon the ability of RBS Group (Australia) Pty Limited, as the Issuer, to fulfil its obligations under the Terms (or the ability of the Guarantor to perform its obligations under the Guarantee) to deliver the relevant number of ASX Listed Securities to Investors. Or, if it fails to perform that obligation, to make the appropriate payment in respect of the value of those securities. **The credit worthiness and stability of the Issuer and the Guarantor are factors which prospective Investors must consider before making any investment decision.** A brief description of the Issuer and the Guarantor are set out in this Section.

About RBS

The Royal Bank of Scotland Group, founded in 1727, is one of the foremost financial services groups globally. Our operations span retail banking, corporate and commercial banking, financial markets activities, wealth management and insurance. In Asia Pacific we serve corporate, institutional and public sector clients in 11 countries.

RBS Group (Australia) Pty Limited and its subsidiaries is a leading provider of corporate and financial services. We have had a local presence since 1974 and work on some of the local market's largest and most complex transactions and projects for our corporate, institutional and public sector clients.

No other information

No circumstance has arisen and no other information has become available since the date of the PDS that might materially affect an investor's assessment of the Issuer's capacity to fulfil the obligations specified in the Terms, or the risks, rights and obligations associated with the Units.

Status of this document

This PDS is issued for the purposes of the Corporations Act. It is not a prospectus or other disclosure document lodged under Chapter 6D of the Corporations Act.

Further information

RBS Group (Australia) Pty Limited and its related entities may conduct transactions as principal and as agent in various securities, including warrants, structured products and related certificates and underlying securities. To facilitate a market in warrants and structured products, RBS Group (Australia) Pty Limited intends to issue to its nominee some or all of the warrants or structured products remaining unissued during the Offer Period and later procure the sale of these Warrants into the market. These trading activities may affect (positively or negatively) the price at which the underlying securities or Warrants trade in the secondary market. Applications for Warrants will only be accepted on the Application Form attached to or accompanying the PDS.

Copies of this PDS may be obtained by contacting Instreet on 1300 954 678 or RBS on 1800 450 005.

Aquantum

Aquantum Algorithmic Limited (Aquantum) is a specialist provider of absolute return strategies. In order to address the challenges of today's alternative investment market, Aquantum and its products are strongly focused on accountability, transparency and liquidity.

The firm is based in Oxford, United Kingdom, and its name derives from the words "Aqua", symbolising liquidity and transparency, and "Quantum", symbolising cutting-edge mathematical modeling and Aquantum's quantitative investment principles.

Aquantum services institutional investors, banks and holders of considerable private wealth. They are able to:

- offer attractive absolute return strategies;
- consult on complex derivatives and structured products;
- design optimization techniques for portfolios which include alternative assets;
- create sources of alternative beta;
- offer research and advice on managed futures and other hedge fund strategies; and
- develop portfolio protection and modern currency-overlay strategies.

Aquantum aims to provide consistent returns by applying a highly quantitative approach to its investment strategies and a rigorous ex-ante risk management discipline. Utilising the team's in-depth trading expertise and market knowledge, Aquantum is able to constantly seek investment opportunities in all asset classes globally.

RBS Sempra Commodities

On April 1 2008, RBS Sempra Commodities was formed as a joint venture between the Royal Bank of Scotland Group (RBS) and Sempra Energy. The newly formed joint venture absorbed and has significantly expanded the operations of RBS Sempra Commodities.

RBS Sempra Commodities is a family of commodity trading companies transacting in the global commodity markets whose senior management evolved from Drexel, Burnham & Lambert in the 1980s to AIG Trading Corporation in the mid-90s to the present.

Sempra Energy is a Fortune 500 energy services company based in San Diego with 14,000 employees and 2006 revenues of nearly USD \$12 billion. Sempra Energy companies develop energy infrastructure, operate utilities and provide related products and services to more than 29 million consumers in the United States, Europe, Canada, Mexico, South America and Asia.

The RBS Sempra Commodities companies combine financial risk-management techniques with physical expertise to provide innovative solutions for customers in natural gas, natural gas liquids, power, petroleum and petroleum products, coal, emissions, ethanol and base metals.

RBS Sempra Commodities is currently 51% owned by Royal Bank of Scotland plc, with Sempra Energy owning the remaining 49%. To comply with European state aid requirements, RBS is in the process of seeking interested purchasers of RBS Sempra Commodities. Once an appropriate purchaser and purchase price has been agreed, RBS will sell its 51% of RBS Sempra Commodities. At this stage, RBS Sempra Commodities will no longer be affiliated with RBS in any way. Any proposed sale is not expected to impact the performance of the Underlying or Reference Indices or the ability of RBS to provide exposure to the indices to investors. As at the date of this PDS, a prospective buyer is yet to be found.

Change to name of ABN AMRO Bank N.V.

Effective as of 6 February 2010, the name of the Guarantor, ABN AMRO Bank N.V. is scheduled to change to The Royal Bank of Scotland N.V. All references to "ABN AMRO Bank N.V." in this PDS should then be read as references to "The Royal Bank of Scotland N.V."

6. Guarantee

This summary of some of the terms of the Guarantee Deed Poll does not purport to be a comprehensive summary of the relevant terms of the Deed Poll, but highlights particular provisions the Issuer wishes to encourage prospective Investors to consider in detail and discuss with their professional advisers. Prospective Investors should contact their financial advisers or the Issuer to obtain a copy of the complete Deed Poll. The Deed Poll is available for inspection at the offices of the Issuer and a copy is available to prospective Investors.

6.1 Access to Deed of Guarantee

ABN AMRO Bank N.V. entered into a Deed Poll dated on or about the date of this PDS, which is governed by and interpreted in accordance with the laws of New South Wales. The Deed will remain in force until the later of the:

- (a) date 12 months after the Maturity of the Units (Termination Date); or
- (b) final adjudication (including any appeal there from), settlement or discharge of any claim made or notified against the Issuer, the Trustee or the Guarantor by any Investor in relation to the Units or the Deed Poll.

Investors may require that the Guarantor produces the Deed Poll, but the Guarantor is not obliged to execute more than one original counterpart of the Deed Poll.

6.2 Guarantee

The Guarantor unconditionally and irrevocably guarantees to each Investor:

- (a) the due and punctual delivery by the Issuer to the Investor of the number of ASX Listed Securities having a value equivalent to the Maturity Value on the Maturity Date; and
- (b) the due and punctual performance by the Issuer and the Trustee of their respective obligations under the Terms of the Units.

These are the Guaranteed Obligations.

6.3 Payment

The Guarantor must, on written demand from any Investor from time to time, satisfy the Guaranteed Obligations in the same manner and currency as the:

- (a) Issuer is required to satisfy its Guaranteed Obligations in respect of the relevant Units; and
- (b) Trustee is required to satisfy its Guaranteed Obligations in respect of the relevant Units.

6.4 Expiry

An Investor in the Units may not make any demand on the Guarantor under the Deed Poll after the Termination Date and the Guarantor has no liability under the Deed Poll to an Investor who purports to make a demand after the Termination Date thereunder.

6.5 Continuing Guarantee

The Guarantee is a continuing Guarantee and extends to all the Guaranteed Obligations and all other obligations, including any money payable, under the Terms of the Units. The Guarantor unconditionally and irrevocably waives any right which it may have now, or in the future, of requiring the Investor to first commence proceedings or enforce any other right against the Issuer, the Trustee or any other person before claiming from the Guarantor under the Deed Poll.

6.6 Several rights

The Guarantor's obligations contained in the Deed Poll are binding upon it and are owed to and are for the benefit of each Investor severally and each Investor is entitled severally to enforce each obligation against the Guarantor.

6.7 Preservation of Investor's rights

The liabilities of the Guarantor under the Deed Poll and the rights of each Investor under the Deed Poll are not affected by anything which may otherwise affect those liabilities or rights at law or in equity, including one or more of the following (with or without the consent of a person):

- (a) an Investor or other person granting time or other indulgence (with or without the imposition of an additional burden) to, compounding or compromising with or wholly or partially releasing the Issuer, the Trustee, any other Guarantor or another person in any way;
- (b) laches, acquiescence, delay, acts, omissions, mistakes or any conduct on the part of an Investor or other person or both an Investor and other person;
- (c) any variation or novation of a right of an Investor or any person, or material alteration of a document, in respect of the Issuer, the Trustee, the Guarantor or other person;
- (d) the transaction of business, expressly or impliedly with, for or at the request of the Issuer, the Trustee, the Guarantor or other person;
- (e) the death of any person or an Insolvency Event occurring in respect of any person;
- (f) a change in the legal capacity, rights or obligations of a person;
- (g) the fact that a person is a Trustee, nominee, joint owner, joint venturer or a member of a partnership, firm or association;

- (h) a judgment against the Issuer, the Trustee or another person;
- (i) the receipt of a dividend after an Insolvency Event or the payment of a sum or sums into the account of the Issuer, the Trustee or another person at any time (whether received or paid jointly, jointly and severally or otherwise);
- (j) any part of the Guaranteed Obligations being incapable of satisfaction;
- (k) an assignment of rights in connection with the Guaranteed Obligations;
- (l) the acceptance of repudiation or other termination in connection with the Guaranteed Obligations;
- (m) the invalidity or unenforceability of an obligation or liability of a person other than the Guarantor;
- (n) invalidity or irregularity in the execution of the Deed Poll by the Guarantor or any deficiency or irregularity in the exercise of the Guarantor's powers to enter into or observe its obligations under the Deed Poll; or
- (o) any obligation of the Issuer, the Trustee or any other Guarantor being discharged by operation of law or otherwise.

6.8 Suspension of Guarantor's rights

For so long as the Guaranteed Obligations continue or remain to be satisfied, the Guarantor must not without the express written consent of an Investor:

- (a) reduce its liability under the Deed Poll by raising a defence, set-off or counter-claim available to itself, the Issuer, the Trustee or a co-surety or co-indemnifier against that Investor, or claiming a set-off or making a counter-claim against that Investor;
- (b) prove in competition with that Investor if an Insolvency Event occurs in respect of the Issuer, the Trustee or any other Guarantor, whether in respect of an amount paid by the Guarantor under the Deed Poll, in respect of another amount applied by the Investor in reduction of the Guarantor's liability under the Deed Poll, or otherwise; or
- (c) claim to be entitled by way of contribution, indemnity, subrogation, marshalling or otherwise to the benefit of a right, interest, power or arrangement which provides security for the payment or satisfaction of a debt, obligation or liability including under a bill of sale, mortgage, charge, lien, pledge, trust, power, deposit, hypothecation or arrangement for retention of title, and includes an agreement to grant or create any of those things or guarantee, or a share in either of them, now or subsequently held for the Guaranteed Obligations.

6.9 Other securities and obligations of the Guarantor

Each Investor's rights under the Deed Poll are additional to and do not merge with or affect and are not affected by:

- (a) any Security Interest now or subsequently held by that Investor from the Issuer, the Trustee, the Guarantor or any other person; or
- (b) any other obligation of the Guarantor to that Investor,

notwithstanding any rule of law or equity or any statutory provision to the contrary.

6.10 Reinstatement of Investor's rights

If a claim is made that all or part of a payment, obligation, settlement, transaction, conveyance or transfer in connection with the Guaranteed Obligations or any other money payable under the Deed Poll is void or voidable under law relating to an Insolvency Event or the protection of creditors and the claim is upheld, conceded or compromised, then:

- (a) each Investor is entitled immediately as against the Guarantor to the rights in respect of the Guaranteed Obligations and all other money payable under the Deed Poll to which it would have been entitled if all or part of that payment, obligation, settlement, transaction, conveyance or transfer had not taken place; and
- (b) on request from an Investor, the Guarantor agrees to promptly do any act and sign any document to restore to the Investor any right held by it from the Guarantor immediately prior to that payment, obligation, settlement, transaction, conveyance or transfer.

6.11 Suspense account

If an Insolvency Event occurs in respect of the Issuer, the Trustee or the Guarantor, the Guarantor unconditionally and irrevocably authorises each Investor:

- (a) to prove for all monies which the Guarantor shall have paid under this clause for the account of the relevant Investor; and
- (b) to retain and to carry into the suspense account and to appropriate at the discretion of the relevant Investor any dividends received as a result of such Insolvency Event of the Issuer or the Trustee and all other monies received in respect of the Guaranteed Obligations (including those received under this clause), until the relevant Investor has been satisfied in full in respect of the Guaranteed Obligations.

6.12 Ranking

All obligations of the Guarantor under the Deed Poll rank and will rank at least equally with all other unsecured and unsubordinated obligations of the Guarantor, other than obligations preferred by mandatory provisions of law.

6.13 Taxation

Except as may be required by law, all payments made by the Guarantor under the Deed Poll will be made free and clear and without deduction for any present or future Taxes.

If a law requires the Guarantor to withhold or deduct Taxes from a payment so that the Investor would not actually receive for its own benefit on the due date the full amount provided for under this Guarantee, then:

- (a) the amount payable is increased so that, after making that deduction and deductions applicable to additional amounts payable under this clause, the Investor is entitled to receive the amount it would have received if no deductions had been required;
- (b) the Guarantor must make the deductions; and
- (c) the Guarantor must pay the full amount deducted to the relevant authorities in accordance with applicable law.

6.14 Interest on overdue amounts

(a) Subject to paragraph (c) below, the Guarantor must on demand from time to time, pay interest on any amount payable by it under the Deed Poll during the period that the amount first became due for payment until the amount is paid in full.

(b) Such interest shall accrue from day to day, commencing on the due date, up to the date of actual payment before and (as a separate independent obligation) after judgment. Interest shall be compounded daily at a rate calculated by adding 2% per annum to the average mid rate for bills of exchange with a 30-day tenor displayed on the page designated "BBSW" of the Reuters monitor system on that day.

(c) The Guarantor will not be liable for any payment of interest for monies not paid to an Investor by virtue of a failure to present, or any delay in presenting, the Units.

6.15 Notices to the Guarantor

A notice by an Investor to the Guarantor:

- (a) must be given by the Investor if the Investor is an individual or otherwise by an officer of the Investor;
- (b) must be in writing; and
- (c) must be left at the registered office address of the Guarantor or sent to the Issuer (as agent for the Guarantor) at the address set out below or such other addresses which the Guarantor may notify to the Investor.

ABN AMRO Bank N.V.
Level 22
88 Phillip Street
Sydney NSW 2000
Attention: Company Secretary
Fax: (02) 8259 5412

Effective upon receipt

Unless a later time is specified in it, a notice to the Guarantor takes effect from the time it is delivered or received.

Receipt

A notice is taken to be received by the Guarantor when:

- (a) **(delivery in person)** delivered, received or left at the address notified as provided above;
- (b) **(facsimile transmission)** recorded on the transmission result report, unless:
 - (i) within 24 hours of that time the Guarantor informs the Investor that the transmission was received in an incomplete or garbled form; or
 - (ii) the transmission result report indicates an unsuccessful, faulty or incomplete transmission; and
- (c) **(post)** on the third Business Day (seventh Business Day if posted from a place outside Sydney) after the date on which the notice is accepted for posting by the relevant postal authorities.

If delivery or receipt is after 5:00pm or not on a Business Day, the notice will be taken to have been given on the next Business Day.

7. Additional Information

7.1 Consents

Baker & McKenzie has given, and has not, at the date of this PDS, withdrawn, its consent to the inclusion of the taxation summary in Section 4 "Taxation" of this PDS in the form and context in which it is included and to be named in this PDS.

Registries Limited has given, and has not, at the date of this PDS, withdrawn its consent to be named in this PDS in the form and context in which it is so named.

ABN AMRO Bank N.V. has given, and has not, at the date of this PDS, withdrawn its consent to be named in this PDS in the form and context in which it is so named.

Instreet Investment Limited has given and, as at the date of this PDS, not withdrawn its consent to be named in this PDS in the form and context in which it has been named.

Link Capital Investments Pty Limited has given and, as at the date of this PDS, not withdrawn its consent to be named in this PDS in the form and context in which it has been named.

7.2 What happens if there is a dispute concerning the Units?

The Corporations Act requires the Issuer to have procedures in place for dispute resolution. The Issuer's process for dispute resolution is available to Investors free of charge.

If a Holder has an enquiry or concern about their Units, they should contact RBS Structured Products on 1800 450 005 or in writing to:

RBS Group (Australia) Pty Limited
Level 22, RBS Tower
88 Phillip Street
Sydney NSW 2000

or

GPO Box 4675
Sydney NSW 2001.

If you have a complaint and it is not addressed to your satisfaction by the RBS Structured Products department, you can then direct your complaint to the Head of Compliance using the addresses shown.

RBS Compliance will acknowledge receipt of your complaint in writing. Your complaint will be investigated in accordance with the RBS Group Complaints Policy and will be responded to within 45 days. The Issuer will take all steps necessary to investigate any complaint and seek a resolution. You will be informed in writing of the result of the Compliance investigation into your complaint.

If you are not satisfied with RBS's response to your complaint you can then contact the Financial Services Ombudsman Service ("FOS") at:

Financial Ombudsman Service Limited
PO Box 579
Collins Street West
Melbourne VIC 3001
Toll Free: 1300 335 405.

FOS is a free independent dispute resolution scheme. In order for a complaint to be considered by FOS, the claim involved must be under A\$150,000 or under A\$500,000 from 1 January 2010 (unless the Issuer and the Investor agree otherwise in writing).

7.3 Privacy policy

RBS Group is committed to ensuring the confidentiality of your information. RBS Group recognises that you are concerned about your information. RBS Group recognises that you are concerned about your privacy and about the confidentiality and security of your information that RBS Group may hold.

RBS Group is bound by the National Privacy Principles contained in the *Privacy Act 1988 (Cth)*. The Privacy Act and general law place strict requirements on us to treat any information that we hold about you as confidential.

Information we collect

RBS Group collects your personal information only if it is necessary for one or more of our functions or activities. We may collect the following information from you:

- your name and contact details;
- your tax file number;
- your bank account details; and
- details of your assets and any debts you may have.

Purpose of collecting information

RBS Group may use your information to:

- open an account for you or maintain your account;
- process transactions on your behalf;
- send you information;
- respond to any specific requests you may contact us for;
- notify you of any products that may be of interest to you;
- update your personal files; and
- enable us to meet our obligations under certain laws.

Access to information

You are entitled at any time to request access to the personal information RBS Group holds about you and to ask us to correct this information where you believe it is incorrect. To do this, please contact RBS Group in writing or by telephoning us on 1800 450 005.

Disclosure to third parties

RBS Group may disclose your information to the following organisations for the purposes specified:

- to RBS Group offices located overseas for administrative purposes and for any internal credit approval, maintenance of some of our data systems and processing transactions;
- to the ASX to process transactions;
- to share registries to allow them to record your shareholding details;
- to our bank when depositing funds to your account; and
- to companies that provide services to us (for example, maintenance of our data systems).

RBS Group may also disclose information we hold about you if you consent to the disclosure or if the disclosure is required by law.

Privacy Contact

You may at any time request a copy of our Privacy Policy by accessing it from www.rbs.com.au or www.instreet.com.au, or by calling one of our representatives on 1800 450 005 or 1300 954 678.

7.4 Anti-money Laundering and Counter-Terrorism Requirements

We are required by the Commonwealth *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* to complete certain due diligence on any prospective investor and obtain additional information as to their identity, source of funds and similar matters.

Applications made without providing this information cannot be processed until all the necessary information has been provided. There are also ongoing customer due diligence obligations under the AML/CTF legislative regime, which may require the Issuer to collect further information. The Issuer is obliged under the AML/CTF legislative regime to take and maintain copies of any information collected from you.

We will keep records of that information and we may be obliged by law to disclose that information. Otherwise, we will keep the information confidential. For example, the Issuer may be required to share collected information with the Australian Transaction Reports and Analysis Centre (AUSTRAC) and may be prohibited from informing you of such disclosures. The Issuer may also share collected information with related entities.

Under the AML/CTF legislative regime, the Issuer has an obligation to report suspicious matters to AUSTRAC. This obligation may require the collection of further information from investors. The Issuer may be prohibited from informing investors that reporting to AUSTRAC has taken place.

The Issuer has the right to not accept Buy-Back requests or transfers or pay benefits under this product where there are reasonable grounds to believe that doing so would breach Australian law or sanctions (or the law or sanctions of any other country) and the Issuer is not liable for any resulting loss.

By applying for Units, you are acknowledging that the Issuer may, at its absolute discretion, not issue Units to you, cancel any Units previously issued to you, delay, block or freeze any transactions or redeem any Units issued to you if it believes it necessary to comply with the AML/CTF legislative regime. In the above circumstances, the Issuer will not be liable to you for any resulting loss.

7.5 Reference Index and Underlying Index disclaimers

The Reference Index Sponsor makes no express or implied representations or warranties concerning whether or not the Reference Index may achieve any particular level or meet or correlate with any particular objective or fit any particular purpose in relation to the Reference Index. Although the Reference Index Sponsor will obtain information for inclusion in or for use in the calculation of the Reference Index from sources which the Reference Index Sponsor considers reliable, the Reference Index Sponsor will not independently verify such information and does not guarantee the accuracy and/or completeness of the Reference Index or any data included therein. The Reference Index Sponsor is under no obligation to advise any person of any error in the Reference Index.

The Reference Index Sponsor accepts no legal liability to any person in connection with the Reference Index and the publication and dissemination of the Reference Index.

Neither the Reference Index Sponsor nor is responsible for the level of performance of the Reference Index. The Reference Index represents a notional strategy investment and no actual investment in the Reference Index is made. There can be no assurance that the Reference Index will attain the investment objective of the Units. The Reference Index Calculation Agent's role is limited to the calculation and publication of the Reference Index.

Aquantum Algorithmic Limited is a company which was established recently as a creator of the Underlying Index and neither Aquantum Algorithmic Limited nor any individuals engaged with the management of the Underlying Index on behalf of Aquantum Algorithmic Limited have a track record in this area of practice. Consequently, investors in Units need to evaluate Aquantum Algorithmic Limited's management ability to achieve a positive performance of the Underlying Index very carefully. Prospective investors of the Units should be aware that the Issuer has not investigated Aquantum Algorithmic Limited's management ability and acts only in its capacity as the Issuer of the units. The Issuer does not accept any responsibility for the performance of the Underlying Index.

The Reference Index Sponsor, the Reference Index Calculation Agent and Aquantum Algorithmic Limited have not authorised, been involved in the preparation of, or caused the issue of, this PDS. The Reference Index Sponsor, the Reference Index Calculation Agent and Aquantum Algorithmic Limited do not take any responsibility for any part of this PDS.

8. Terms of Issue

8.1 Applications and Acceptance

These Terms are the terms and conditions on which the person named in the Application Form (“Investor” or “Applicant”) agrees to acquire the ASX Listed Securities from the Issuer. Capitalised terms are defined in the “Glossary” in Section 9 of this PDS, unless the context requires otherwise.

8.1.1 Offer by the Applicant

An Applicant may make an offer to the Issuer to acquire the ASX Listed Securities from the Issuer on a deferred basis in accordance with these Terms:

- (a) by completing and returning to the Issuer a valid Application Form before the Offer Close Time; and
- (b) by ensuring that an amount equal to at least the Minimum Investment is received by the Issuer in cleared funds by the Offer Close Time; and
- (c) by ensuring that any additional information or documentation requested by the Issuer is provided to the Issuer by the Offer Close Time, or such other time specified by the Issuer.

8.1.2 Investor bound by Terms

By completing the Application Form and lodging it with the Issuer, the Investor agrees to be bound by these Terms, including any variation to these Terms advised to investors in a supplementary PDS or otherwise.

8.1.3 Acceptance of the offer by the Issuer

- (a) The Issuer may decide in its absolute discretion whether or not it will accept the Applicant’s offer to acquire ASX Listed Securities from the Issuer.
- (b) If the Issuer decides to accept an Application, then provided that the Issuer has received at least the Minimum Investment in cleared funds by the Offer Close Time (or such other time if otherwise accepted by the Issuer in its discretion), acceptance of the Applicant’s offer will take place on and the parties rights and obligations under these Terms will commence on, the Commencement Date. For each multiple of the Issue Price paid, the Applicant will be entitled to one Unit.
- (c) Within 10 Business Days from the Commencement Date, the Issuer will send to the Investor a notice acknowledging either the acceptance or rejection of the Applicant’s offer, and setting out any relevant details of the Units.

8.1.4 Issue of Units

The Units will only be Issued at the discretion of the Issuer. Units are issued within one month of an Application being accepted. Economic exposure for the Units commences on the Commencement Date. If the Issuer is unable to achieve the economic exposure described in the PDS on the Commencement Date due to any condition set out in the PDS not being satisfied (e.g. the total Investment Amounts

received from all Investors is less than \$5,000,000 or the Issuer is unable to hedge its obligations), or otherwise determines not to proceed with the issue, then Investors Units will be terminated and the Issuer will return the Investment Amount without interest.

8.1.5 Appointment of Registrar

- (a) The Issuer will appoint the Registrar set out in the PDS. The Registrar will be responsible for establishing and maintaining a Register for the Units issued by the Issuer during the term of the Registrar’s appointment. The Register will be established and maintained in Sydney (or any other place in Australia as the Issuer and the Registrar may agree).
- (b) The Investor acknowledges and agrees that the Register will be conclusive evidence of ownership of interests in the Units. The Issuer is not required to recognise any interest in Units not recorded in the Register.

8.2 Deferred purchase of ASX Listed Securities

8.2.1 Purchase of ASX Listed Securities

The Investor agrees to purchase from the Issuer on the Maturity Date the number of ASX Listed Securities determined by the ASX Listed Security Formula for the Investment Amount (which will be paid by the Investor in accordance with clause 8.2.2). Following Maturity, the Issuer will deliver the ASX Listed Securities to the Investor in accordance with clause 8.3.

8.2.2 Payment of the Issue Price

- (a) The Investor must pay the Investment Amount to the Issuer in cleared funds by the Offer Close Time or such other time if otherwise accepted by the Issuer.
- (b) The Minimum Investment that will be accepted by the Issuer under these Terms is specified in the Offer Summary.

8.2.3 Coupons

If a Coupon is payable, the Issuer will pay the Coupon (if any) on the Coupon Payment Date.

8.3 Maturity and Settlement of Deferred Purchase

8.3.1 Notice of Maturity

The Issuer will give a Maturity Notice to the Investor between 20 and 30 Business Days before the Maturity Date.

8.3.2 Effecting Maturity

- (a) The Investor must complete the deferred purchase of the ASX Listed Securities by returning the Maturity Notice to the Issuer by Market Close on the Business Day that is 10 Business Days prior to the Maturity Date, specifying in the Maturity Notice that the Investor will accept physical delivery of the ASX Listed Securities or that the Investor will use the Agency Sale Arrangement.

(b) If the Investor:

- (i) does not lodge a Maturity Notice with the Issuer by the Market Close; or
- (ii) returns the Maturity Notice to the Issuer by the Market Close and the Investor has not elected in the Maturity Notice to either accept physical delivery of the ASX Listed Securities or to use the Agency Sale Arrangement,

the Investor will be deemed to have elected physical delivery of the ASX Listed Securities and the purchase of the ASX Listed Securities will be completed. In this case the delivery of the ASX Listed Securities will have a value equal to at least the amount calculated in accordance with the ASX Listed Security Formula.

8.3.3 Physical delivery of the ASX Listed Securities to the Investor

Subject to clause 8.3.4, if the Investor has elected in the Maturity Notice to accept physical delivery of the ASX Listed Securities or the Investor is deemed to have so elected under clause 8.3.2(b):

- (a) the Issuer (either by itself or through a nominee) will procure the performance of all acts required of a transferor of marketable securities under the settlement rules applicable to ASX Listed Securities to enable the ASX Listed Securities determined by the ASX Listed Security Formula to be transferred to the Investor on the Settlement Date, or as soon as possible thereafter, free from any security interest or third party interest or restriction on transfer (other than one that has been accepted by the ASX for the purposes of quotation of the property comprising the ASX Listed Securities); and
- (b) the Investor irrevocably authorises the Issuer and any of its nominees to act as the Investor's agent to do all things required to effect the delivery of the ASX Listed Securities to the Investor. The ASX Listed Securities will be delivered to an Issuer sponsor sub-register for the ASX Listed Securities.

8.3.4 Delivery through the Agency Sale Arrangement

If the Investor has elected to use the Agency Sale Arrangement, the Issuer (either itself or through a nominee) will procure the delivery of the ASX Listed Securities as follows:

- (a) the Issuer or its nominees are irrevocably authorised to accept physical delivery of the ASX Listed Securities for and on behalf of the Investor;
- (b) the Investor irrevocably authorises the Issuer or its nominees to sell, and irrevocably directs and authorises the Issuer or any of its nominees to take all actions necessary or desirable, to effect the sale by the Issuer or its nominees of the ASX Listed Securities;

(c) the Issuer or its nominees on behalf of the Issuer will deliver to the Investor's nominated account (or pay by cheque to the Investor if no nominated account is nominated) the Sale Proceeds, within 10 Business Days of the Settlement Date or as soon as reasonably practical thereafter; and

(d) the Investor acknowledges and agrees that:

- (i) the Issuer or its nominees agree to sell the ASX Listed Securities on behalf of the Investor for an amount per ASX Listed Security equal to the Closing Price;
- (ii) to the maximum extent permitted by law, the Issuer and its nominees are not responsible for any losses, costs or expenses incurred by the Investor as a result of using the Agency Sale Arrangement, except to the extent that such loss, cost or expense arises as a result of the Issuer or the nominee's negligence, default, fraud or dishonesty; and
- (iii) the Issuer or its nominees will use reasonable endeavours to sell the relevant ASX Listed Securities in accordance with clause 8.3.4(d)(i). If, for any reason whatsoever, the Issuer is unable to sell the relevant ASX Listed Securities at the Closing Price, the Investor irrevocably authorises the Issuer to use reasonable endeavours to sell the relevant ASX Listed Securities as soon as practicable at the best price the Issuer can obtain.

8.3.5 Satisfaction of obligations

Upon delivery of the ASX Listed Securities to the Investor in accordance with this clause 8.3 or upon payment by the Issuer or its nominee (on behalf of the Issuer) to the Investor of the relevant amount in respect of the ASX Listed Securities under clause 8.3.4(c), the Issuer's obligations to the Investor under these Terms are satisfied and discharged.

8.3.6 Delivery of a whole number of securities only

The Issuer or its nominee will not transfer, or cause to be transferred, a fraction of an ASX Listed Security. If any fraction of an ASX Listed Security will be transferable by the Issuer on the Settlement Date, the Issuer will cause to be paid to the Investor (within 10 Business Days of the Settlement Date or as soon as reasonably practical thereafter) an amount equal to the value of the fraction of the ASX Listed Securities forgone based on the Closing Price provided that such amount exceeds A\$20.00.

If the amount does not exceed A\$20.00, the Issuer is under no obligation to the Investor to make any payment for the fractional ASX Listed Securities. Upon payment of the amount under this clause the Issuer is discharged from its obligation to deliver the fraction of the ASX Listed Securities forgone.

8.3.7 Substitution of ASX Listed Securities

If any of the ASX Listed Securities selected by the Investor are unable to be delivered due to any legal or regulatory restriction relating to an ASX Listed Security (including but not limited to cessation or Suspension from listing) or the Issuer, including but not limited to trade limitations resulting from internal conflict arrangements, then the Issuer shall either delay delivery of the ASX Listed Securities or deliver any other ASX Listed Securities listed on the ASX and deliver that substituted security in accordance with these Terms as if the definition of "ASX Listed Security" was amended to refer to the substituted security, or, if a basket of ASX Listed Securities is to be delivered, the Issuer may substitute the affected ASX Listed Security or deliver only the remaining unaffected ASX Listed Securities in the basket.

8.4 Early Maturity

8.4.1 Early Maturity by the Issuer

(1) The Issuer may, in its absolute discretion at any time (including on the Maturity Date), nominate any of the following events as an Early Maturity Event:

- (a) any arrangements entered into by the Issuer in order to hedge the Issuer's obligations in respect of the Units in whole or in part are terminated, redeemed, suspended, ended or cannot reasonably be acquired, established, maintained, substituted or re-established;
- (b) the Issuer does not receive any of the amounts due to the Issuer under any arrangements entered into by the Issuer in order to hedge the Issuer's obligations in respect of the Units;
- (c) the Issuer has or will become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of or any political subdivision or any authority thereof or therein having power to Tax, or any change in the application of official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Commencement Date;
- (d) a Change in Law;
- (e) an Adjustment Event which occurs or is expected to occur and in the Issuer's reasonable opinion is not possible or desirable to deal with in accordance with clause 8.5;
- (f) if the Issuer determines in good faith that the performance of its obligations in relation to or under these Terms has or will become, in circumstances beyond the reasonable control of the Issuer, impossible, unlawful, illegal or otherwise prohibited as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any government, administrative, legislative or judicial authority or power; or
- (g) any actual or proposed event that may reasonably (in the Issuer's opinion) be expected to lead to any of the events referred to in paragraphs (a) to (e) above occurring, other than an event which the Issuer causes to occur.

(2) If the Reference Index is terminated at any time for any reason, the Issuer will nominate an Early Maturity Event.

If any event occurs which constitutes both an Adjustment Event and an Early Maturity Event as defined in this clause, the Issuer may, in its discretion, treat that event as either an Adjustment Event or Early Maturity Event.

8.4.2 Determination that there will be an Early Maturity

Where the Issuer has nominated an event as an Early Maturity Event, the Issuer may, in its absolute discretion, determine that there will be an Early Maturity and may specify a date as the Early Maturity Date after providing a Notice to Investors 10 Business Days prior to the Early Maturity Date.

8.4.3 Investor requested Issuer Buy-Back

The Investor may request the Issuer to buy-back their Units on a Buy-Back Date by giving a notice to the Issuer. An Issuer Buy-Back can only be requested in respect of the full amount of the Investor's Units. Once lodged, the request for an Issuer Buy-Back is irrevocable. It is in the Issuer's absolute discretion to accept or reject or hold over the request for an Issuer Buy-Back. If the Issuer accepts the request:

- (a) the Issuer will, as soon as practicable after the request is received and accepted, execute the Issuer Buy-Back on the Buy-Back Date. The Investor acknowledges that the Buy-Back Date will depend, in part, upon the Issuer's ability to liquidate its hedging arrangement (if any), or the existence of a Market Disruption Event, and may require the Issuer to delay and hold over an Issuer Buy-Back request;
- (b) the Issuer will, in its absolute discretion, determine the Buy-Back Price for the purchase of the Investor's Units. The Buy-Back Price will be calculated by reference to the fair market value of the Units on the Buy-Back Date, less any Fees, Costs, Taxes and Expenses and any bid-offer spread charged by the Issuer. The Issuer may provide an Investor with an estimate of the Buy-Back Price before effecting the buy-back but it is not obliged to do so. The Investor acknowledges this is an estimate only and the actual Buy-Back Price on the Buy-Back Date may be significantly less than the estimate;
- (c) upon payment by the Issuer of the Buy-Back Price to an Investor all of the Issuer's obligations to the Investor under these Terms are deemed to be satisfied and discharged in full;
- (d) upon payment of the Buy-Back Price the Issuer will arrange to have an Investor's name and details removed from the Register.

8.4.4 Early Maturity Mechanism

- (a) If the Issuer determines that there will be an Early Maturity, the Early Maturity will take place as follows:
 - (i) The Issuer will, before the Early Maturity Date, notify the Investor that Early Maturity will occur on the Early Maturity Date in accordance with clause 8.4 of

these Terms. The Early Maturity Notice issued by the Issuer under this clause shall serve as the Maturity Notice. The Issuer will specify in the Early Maturity Notice whether Early Maturity will occur by the maturity process in accordance with this clause 8.4.4(a)(ii) or by Refund in accordance with clause 8.4.4(a)(iii).

(ii) If specified in the Early Maturity Notice and subject to clause 8.4.4(b), Early Maturity will take place in accordance with the procedures set out in clauses 8.3.2 to 8.3.6 of these Terms.

(iii) If specified in the Early Maturity Notice, Early Maturity will occur by the Issuer paying the Refund to the Investor's nominated account (or by cheque to the Investor if no account is nominated) by the Settlement Date or as soon as practicable thereafter.

(iv) After the ASX Listed Securities are delivered to the Investor under clause 8.3.2 or the Issuer (or its nominee) pays the Investor the Refund in accordance with clause 8.4.4(a)(iii) or the relevant amount in respect of the ASX Listed Securities under clause 8.4.4 as a result of an Early Maturity Event occurring, all obligations of the Issuer to the Investor under these Terms are deemed to have been satisfied in full and the Issuer is discharged from its obligations under these Terms. This clause does not discharge the Issuer of its obligations under the Privacy Act or the terms of its privacy policy.

(b) If an Early Maturity is nominated by the Issuer, for the purposes of determining the number of ASX Listed Securities to be delivered, the definition of "ASX Listed Securities Formula" in the Glossary section, and Section 2.9 "How do I receive my return?" of the PDS will be different in that references in that formula to "MV" and "Maturity Value" will instead be references to "Early Maturity Value".

8.4.5 Expenses on Early Maturity or Issuer Buy-Back

Without limiting the foregoing, in determining the Early Maturity Value or the Buy-Back Price the Issuer may deduct any costs, losses or expenses it incurs in relation to the Early Maturity or an Issuer Buy-Back, including without limitation, Fees, Costs and Taxes, Expenses, administrative costs, costs of unwinding any hedge put in place for the purposes of meeting its obligations under these Terms, and any cost of funding or any loss of bargain.

8.4.6 Possible reduction of value on Early Maturity

If there is an Early Maturity, the Issuer does not guarantee delivering to the Investor a number of ASX Listed Securities which have a value equivalent to the Issue Price. For the avoidance of doubt, when there is an Early Maturity (and the Issuer elects to apply the maturity process in accordance with clause 8.4.4 (a)(ii)) the Delivery Parcel will be determined only in accordance with clause 8.4.4 (b).

8.4.7 Adjustments to this clause

Subject to clause 8.14, where the Issuer determines that any of the provisions of this clause 8.4 are not appropriate in any particular circumstances, or that any event which is not dealt with in clause 8.4 should have been dealt with, it may make any alterations to the effect of this provision or any other Term that it considers to be appropriate.

8.5 Adjustment Events and Market Disruption Events

8.5.1 Adjustment Events

If an Adjustment Event occurs or is proposed to occur on or before the Maturity Date, the Issuer may, in its absolute discretion, elect to do any or all of the following:

- (a) substitute part or all of the Reference Index or the Underlying Index with any other similar asset;
- (b) substitute the ASX Listed Security with any other security quoted and traded on the ASX;
- (c) adjust, amend or substitute the composition of the ASX Listed Security or ASX Listed Security Formula and/or vary any of the terms referred to in the PDS;
- (d) determine to suspend any of the necessary calculations referred to in these Terms as appropriate until reliable values can be obtained;
- (e) calculate a substitute level for the Reference Index based on but not restricted to the last published level of the Underlying Index and such level may be zero; and/or
- (f) accept the closing level of the Underlying Index published on any alternative price source;

in a manner consistent with any adjustment or change made to the Issuer's hedging arrangement or if no change is made to the Issuer's hedging arrangements, in a manner that is appropriate to put both the Issuer and the Investor in as similar an economic position as possible to the one the Investor and the Issuer would have been in had the Adjustment Event not occurred.

If in the reasonable opinion of the Issuer, it is not possible or desirable to deal with the occurrence of the Adjustment Event in accordance with this clause 8.5.1, the Issuer may nominate the event as an Early Maturity Event and may deal with that event in accordance with clause 8.5.2.

The Issuer will notify Investors of any adjustment that it proposes to make under this clause before the adjustment occurs, or as soon as reasonably practicable after the adjustment occurs and the Issuer will determine and notify Investors of the effective date of that adjustment.

8.5.2 Market Disruption Events

If there is a Market Disruption Event on the Maturity Date, then the Maturity Date will be such other date as determined by the Issuer in its absolute discretion, as is reasonably necessary for the Issuer to fulfil its obligations under the Units or unwind and settle any hedging arrangements it has in place in respect of the Units. The Issuer must, as soon as practicable (and in no event later than five Trading Days after the original date that, save for the occurrence or existence of a Market Disruption Event, would have been the Maturity Date) notify Investors of the existence or occurrence of the relevant Market Disruption Event and potential delay in settlement.

If there is a Market Disruption Event on any Valuation Date, then the relevant Valuation Date will be the first following Trading Day on which there was no Market Disruption Event.

If there is a Market Disruption Event affecting an ASX Listed Security on the Settlement Date, then the Settlement Date for the affected ASX Listed Security is to be the first following Business Day on which there is no Market Disruption Event.

If an event is both a Market Disruption Event and an Adjustment Event, the Issuer may determine whether to treat the event as either a Market Disruption Event or an Adjustment Event or both (if possible).

8.6 Accretions

8.6.1 Accretions

These Terms do not confer on the Investor any right or interest in respect of Accretions to the ASX Listed Securities arising prior to delivery of the ASX Listed Securities at any time. Accretions to the ASX Listed Securities may lead to adjustments as provided for in clause 8.5 of these Terms.

8.6.2 Coupons

The Issuer of the Units may pay coupons in any amount and pursuant to any method or formula as specified in this PDS.

8.7 The Issuer's Obligations are Unsecured

The Issuer's obligations under these Terms or in relation to the deferred purchase of the ASX Listed Securities are direct, unconditional and unsecured obligations of the Issuer. These obligations rank equally with the Issuer's existing unsecured debt, subject to insolvency, banking or similar laws affecting creditors' rights generally.

8.8 Beneficial Interest in the ASX Listed Securities

(a) Upon acceptance by the Issuer of the Investor's Application for Units, the Investor receives, for no additional consideration, a Beneficial Interest in a Portion of the ASX Listed Securities on the Commencement Date.

(b) The Investor holds the Beneficial Interest in the Portion of the ASX Listed Securities until the earlier of:

(i) Maturity; or

(ii) transfer of the Units in accordance with clauses 8.8(d) to 8.8(f).

(c) An Investor may deal with the Beneficial Interest in a Portion of the ASX Listed Securities only in accordance with these Terms.

(d) The Beneficial Interest may not be severed from the balance of the rights in connection with those Units or dealt with separately in any way.

(e) The Investor acknowledges and agrees that on the Commencement Date, it does not receive a Beneficial Interest in all of the ASX Listed Securities; rather, it receives a Beneficial Interest in a Portion of the ASX Listed Securities only. The parties agree and acknowledge that, on Maturity, the Beneficial Interest in all of the ASX Listed Securities sold and the sale proceeds added to the Maturity Value or Early Maturity Value as applicable.

(f) The Beneficial Interest in a Portion of those ASX Listed Securities attaches to each Unit. When an Investor Deals with Units in any way, then as a result of this provision and without the need for any additional writing or action, an equivalent dealing between the same parties shall occur in respect of the corresponding Beneficial Interest of the Investor. For example, when an Investor (the "old Investor") transfers Units to another person (the "new Investor"):

(i) all the rights and obligations that attach to the Units as well as the Beneficial Interest are transferred from the old Investor to the new Investor;

(ii) the old Investor's interest in the Units will be removed from the Register and the new Investor will be added to the Register; and

(iii) the old Investor ceases to have any rights in relation to the Units or the Beneficial Interest.

(g) If any Investor purports to Deal with the Units without an equivalent dealing in the corresponding Beneficial Interest, or if any Investor purports to Deal with a Beneficial Interest without an equivalent dealing in the corresponding Units, or if any Investor purports to contract out of this clause in any way, any such dealing will be void and the Units and the Beneficial Interest will remain with the Investor recorded on the Register.

(h) When an existing Investor Deals with Units in a manner that does not involve the transfer of legal ownership of the Units, the Registrar has no duty to record the dealing on the Register.

(i) Each Beneficial Interest corresponding to a particular Unit will pass to a new Investor upon registration of a transfer of Units in the Register.

(j) The Issuer will procure that the Trustee will act as Trustee for each Investor.

(k) The Terms of the Trust over a Beneficial Interest are as follows:

- no encumbrance may be created or permitted to subsist in respect of the Trust Property;
- no person, other than an Investor and the Trustee, may control the transfer or disposal of the Trust property and any transfer of disposal must be in compliance with the Issuer's obligations in relation to the Units;
- where the Trustee is required to acquire substitute shares (on the occurrence of an Adjustment Event), the substitute shares will form part of the Trust Property;
- the Investors hold the Beneficial Interest in the entirety of the Trust Property except for any distributions of income (in whatever form) (Distributions), all such Distributions are held for the benefit of the Issuer;
- the Trustee will pay the Issuer the cash amount of any Distributions. The Trustee has no obligation to participate in any plan for the reinvestment of such Distributions;
- the Trustee may administer the Trust such that the Portion attributable to a particular Investor may be aggregated with all other portions;
- Investors are not entitled to receive notices of meetings in respect of the ASX Listed Securities, attend, speak or vote at any meetings of members, or require the Trustee to do so. The Trustee must not cast any vote in respect of the securities comprised in the Trust Property;
- the Trustee's obligations are satisfied if the Issuer adds the sale proceeds to the Maturity Value or Early Maturity Value in accordance with clause 8.8(e);
- if an event occurs and the Trustee is obliged to sell some or all of the Trust Property, the Trustee must sell the relevant Trust Property in accordance with that obligation. The proceeds of any sale in these circumstances must be applied by the Trustee to acquire substitute Trust Property. The Investors have no right to challenge the validity of such a disposal;
- if the issuer of the ASX Listed Securities or a third party takes any action in respect of the capital of an entity or Trust in which the ASX Listed Securities are held, the Issuer or the Trustee may take any reasonable action in response to the event;
- the Trustee has unlimited powers, duties, rights and discretions, but must always exercise those powers as directed by the Issuer. The Investor appoints the Issuer as its agent to provide such

directions. The Trustee is not liable for anything done or suffered by it in good faith in reliance upon such directions by the Issuer;

- the Trustee is not required to prepare accounts or tax returns in respect of the Trust;
- the Trustee's liability to Investors and other persons is limited to the extent to which liability can be satisfied out of the Trust Property, except for liability arising where the Trustee has acted dishonestly, fraudulently, or negligently or has committed a wilful breach of its obligations. The Trustee is indemnified by the Issuer for liabilities properly incurred. The Trustee is not liable for the neglect, dishonesty or default of the Issuer, the Investors or other persons, and is not liable for any losses or liabilities caused because the Trustee has acted or failed to act on advice, or a direction by the Issuer or an Investor; and
- the Trustee may, with the consent of the Issuer resign and the Issuer, may appoint a replacement. The Issuer may remove the Trustee and appoint a replacement in the Issuer's discretion.

(l) The Investor agrees and acknowledges that the agreement to purchase the ASX Listed Securities as set out in these Terms and the payment of the Investment Amount does not transfer the legal or beneficial interest in the ASX Listed Securities to the Investor other than the Beneficial Interest in a Portion of the ASX Listed Securities. The parties agree and acknowledge that the legal or beneficial interest in the balance of the ASX Listed Securities will transfer to the Investor only on the Settlement Date. If the Issuer fails to deliver the balance of the Delivery Parcel to the Investor in accordance with these Terms, the Investor agrees that it will not be entitled to an injunction, specific performance or any other equitable rights or remedies and will be entitled only to damages.

8.9 Taxes

- (a) The Issuer is not liable for any Taxes or other charges:
- (i) payable by the Investor in relation to or in connection with these Terms; or
 - (ii) payable by the issuer or any person on, as a consequence of, or in connection with the purchase, sale or transfer of, or the Maturity of the Units or the sale, purchase or transfer of the ASX Listed Securities.
- (b) The Investor must pay all Taxes and other charges including goods and services tax, if any payable:
- (i) by the Investor in relation to or in connection with these Terms; or
 - (ii) by any person, as a consequence of, or in connection with, the purchase, sale or transfer of, or

the Maturity of the Units or the sale or purchase of ASX Listed Securities.

(c) The Investor must pay an additional amount to the Issuer on demand equal to any applicable Taxes (including GST) and other charges for which the Issuer or any other person becomes liable on, as a consequence of, or in connection with, the purchase, sale or transfer of an ASX Listed Security or rights, or any other supply to the Investor under or in connection with these Terms.

8.10 Investor's representation and warranties

8.10.1 General

By submitting the Application Form to the Issuer, the Investor represents and warrants to the Issuer (as a continuing representation and warranty) that:

- (a) the Investor has full legal capacity to make the Application and be bound by these Terms and has taken all actions necessary to authorise the Application and be bound by these Terms;
- (b) the Investor has reviewed these Terms and has made its own independent investigations and appraisals of the taxation, legal, commercial and credit aspects associated with the purchase of the ASX Listed Securities;
- (c) the Investor has not relied in any way on any statements made by the Issuer or its related entities or their servants, agents, employees or representatives in relation to these Terms or the deferred purchase of the ASX Listed Securities and the Investor acknowledges that the Issuer has not made any representations to the Investor regarding the suitability or appropriateness of the deferred purchase of ASX Listed Securities pursuant to these Terms;
- (d) the Investor understands that nothing in these Terms or any marketing material associated with these Terms can be considered investment or financial product advice or a recommendation to buy the ASX Listed Securities;
- (e) the Investor has obtained all consents which may be required by law to enable the Investor to acquire the ASX Listed Securities and to become registered as the Holder of the ASX Listed Securities and that the registration of the Investor as the Holder of the ASX Listed Securities will not contravene any law, regulation or ruling or the constitution of the Issuer of the ASX Listed Securities;
- (f) the Units being applied for will not result in a breach of any exchange controls, fiscal, securities or other laws or the regulations currently applicable to the Units or the Investor, and the Investor is not a resident or a national of any jurisdiction where the Application for the Maturity of the Units is prohibited by any law or regulation or where compliance with the relevant laws or regulations will require filing or other action by the Issuer or any of its related bodies corporate; and

(g) the Investor acknowledges that Section 4 "Taxation" in this PDS is provided only for the benefit of the Issuer and is necessarily general in nature and does not take into account the specific taxation circumstances of each individual Investor. The Investor acknowledges that it has sought its own independent advice on the taxation implications relevant to its own circumstances before making an investment decision.

8.10.2 Superannuation Funds

By signing the Application Form and lodging it with the Issuer an Investor which is the trustee of a Fund ("Fund") which is a regulated superannuation fund (as that term is defined in the Superannuation Industry (Supervision) Act 1993 (SIS Act)) (Governing Rules) also represents and warrants to the Issuer (as a continuing representation and warranty) that:

- (a) the Fund has been validly constituted (and where necessary, the relevant documents have been duly stamped according to the laws of the relevant state or territory) and the Fund is continuing at the date of this agreement;
- (b) where the trustee is a body corporate, the trustee has been validly constituted;
- (c) the trustee has been properly appointed as trustee of the Fund;
- (d) the terms of the governing rules (as that term is defined in the SIS Act) ("Governing Rules") empower and authorise the Trustee (i) to invest in the Units; and (ii) to borrow as permitted by the SIS Act and (iii) to enter into and be bound by the Deferred Purchase Agreement;
- (e) the terms of the Governing Rules do not restrict the right of the Trustee to be fully indemnified out of the assets of the Fund to satisfy a liability to any party which is properly incurred by the trustee as trustee of the Fund under the Units;
- (f) investing in Units will be for the benefit and in the best interests of the Fund and its beneficiaries; and
- (g) if investing as joint trustees, each applicant declares that the applicants are all trustees of one Fund and there are no other trustees of the Fund and that each joint trustee has the authority to act as agent for all of the joint trustees to give instructions or to receive notices on behalf of all of the joint trustees.

8.11 Set off rights

- (a) All monetary obligations imposed on the Investor under these Terms are absolute, free of any right to counter-claim or set off and may only be satisfied once the payment has cleared.
- (b) The Issuer may (including without limitation during the Investment Term or at Maturity) set off any amount payable to it by the Investor against any amount payable by the Issuer to the Investor. The Issuer may withhold any

amount payable by it to the Investor in satisfaction of any amount payable to it by the Investor.

8.12 Notices

(a) Any notice or statement to be given to or demand to be made on the Investor under these Terms:

(i) will be effectively signed on behalf of the Issuer if it is executed by the Issuers, any of its officers, its solicitor or its attorney;

(ii) may be served by being delivered personally to, by being left at, by being e-mailed to, or by being posted in a prepaid envelope or wrapper to the Investor's address (or e-mail address) notified to the Issuer or the Investor's registered office, place of business or residence last known to the Issuer, or by being sent to the Investor by facsimile transmission, or by publication on the Issuer's website or in an Australian newspaper with national coverage;

(iii) may be posted on the Issuer website or an announcement made in an Australian newspaper with national coverage, if providing notice in such a manner is allowed by the Corporations Act or any ASIC policy.

(b) A demand or notice if:

(i) posted will be deemed served two Business Days after posting;

(ii) sent by facsimile or electronic transmission will be deemed served on conclusion of transmission; or

(iii) posted on a website or published in a newspaper will be deemed to be served or given on the date of publishing.

(c) Service by any of these methods will be valid and effectual even if the Investor does not receive the document or if the document is returned to the Issuer unclaimed.

8.13 Amendment of Terms

The Issuer may, from time to time by notice sent to the Investor, make any variation of these Terms where:

(a) the variation is necessary or desirable in the opinion of the Issuer (including to comply with any statutory or other requirement of law or for any other reason);

(b) the variation is desirable to correct any defect, manifest error, inconsistency or ambiguity in these Terms (but only if such variation does not, in the opinion of the Issuer, materially prejudice the interests of the Investor);

(c) the change is one determined by the Issuer as being required under either clause 8.4 or 8.5 of these Terms.

The Issuer will give the Investor notice of any variation of these Terms and the Investor will be bound by any such variation at the time the Investor is served such notice.

8.14 General Provisions

8.14.1 Currency

All amounts payable by either party under these Terms will be paid in the currency stated in the Offer Summary.

8.14.2 No merger

The Issuer's rights under these Terms are additional to and do not merge with or affect and are not affected by any mortgage, charge or other encumbrance held by the Issuer or any other obligation of the Investor to the Issuer, despite any rule of law or equity or any other statutory provision to the contrary.

8.14.3 Rounding off

Any price, number, currency amount or percentage calculated by the Issuer will be rounded to such a number of decimal places and in such a manner as the Issuer determines is appropriate acting in its sole and absolute discretion.

8.14.4 Certificates

Any document or thing required to be certified by the Investor or the Issuer must be certified by the Investor (if an individual) or a director, secretary or authorized officer of the Investor (if a company) or the Issuer, as the case requires, or in any other manner that the Issuer may approve.

8.14.5 Execution by attorneys

Each attorney executing the Application Form which binds the Investor to these Terms states that he, she or it has no notice of revocation or suspension of the power of attorney under which the attorney executes the Application Form.

8.14.6 Appointment of Agent

The Investor irrevocably appoints the Issuer and its nominees and any of their directors, secretaries and managers from time to time jointly and severally as agent of the Investor to do (either in the name of the Investor or the agent) all acts and things that the Investor is obliged to do under these Terms or which, in the opinion of the Issuer, are necessary or desirable in connection with the ASX Listed Security or the protection of the Issuer's interests or the exercise of the rights, powers and remedies of the Issuer, including without limitation the authority to sell the ASX Listed Security on behalf of the Investor in accordance with clause 8.3.4(b).

8.14.7 Invalid or unenforceable provisions

If a provision of these Terms is invalid or unenforceable in a jurisdiction, it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability. That fact does not affect the validity or enforceability of that provision in another jurisdiction or the remaining provisions.

8.14.8 Waiver and exercise of rights

A single or partial exercise of a right by the Issuer does not preclude another exercise or attempted exercise of that right or the exercise of another right. Failure by the Issuer to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

8.14.9 Assignment and transfer of interests

(a) The Issuer may transfer its rights and obligations under these Terms at any time by giving notice to the Investor.

(b) Subject to clause 8.1.4, the rights and obligations under these Terms may be transferred or novated by an Investor in whole only, not in part, with the prior consent of the Issuer.

(c) When an Investor deals with a Unit in a manner that does not involve the transfer of legal ownership of the Unit, the Issuer has no duty to record the dealing on the Register. Each Beneficial Interest corresponding to the Units will pass to a new Investor upon registration of the transfer of those units in the Register.

8.14.10 Discretions

Any determination made by the Issuer or the Reference Index Calculation Agent will be in its sole and absolute discretion, acting in good faith and in a commercially reasonable manner, and will be conclusive and binding on all parties, except in the case of manifest error.

8.14.11 Recording conversations

The Investor acknowledges that conversations between the Investor and the Issuer (or any officer of the Issuer) may be tape-recorded. The Investor consents to the tape-recording and its use (or any transcript of the recording) in any proceedings that may be commenced in connection with these Terms.

8.14.12 Calculations and references to dates and times

Calculations or determinations which are to be made on or by reference to a particular day, are to be made on or by reference to that day in the place and time zone of the Relevant Exchange to which that calculation or determination relates.

8.14.13 Payments by the Issuer

All amounts payable by the Issuer under these Terms will be paid to the Investor's nominated account. If the Investor has not provided the Issuer with details of their nominated account, payment will be made by the Issuer drawing a cheque made payable to the Investor which will be sent to the address provided by the Investor on its Application Form, and in doing so, the Issuer is discharged from its obligations under these Terms.

8.14.14 Governing law and jurisdiction

These Terms are governed by the laws of New South Wales. The Investor irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales and waives, without limitation, any claim or objection based on the absence of jurisdiction or inconvenient forum.

8.14.15 Time is of the essence

Time is of the essence in respect of the obligations of the Investor under these Terms.

8.14.16 Notice of changes in the methodology of the Reference Index

If there is a change in the Reference Index methodology, then, the Issuer will notify Investors as soon as is reasonably practicable of the change if it is material to the methodology used in respect of the Reference Index.

Please also refer to the Offer Summary and Section 1.3 "Description of the Reference Index".

9. Glossary

Accretions

means all rights, accretions and entitlements attaching to the Units or the ASX Listed Securities after the Commencement Date including without limitation, all voting rights, all dividends and all rights to receive dividends and other distributions or shares, notes, options, units or other financial products exercisable, declared, paid or issued in respect of the Units or the ASX Listed Securities.

Adjustment Event

means in relation to the Reference Index or the Underlying Index, (both the "Relevant Asset") any of the following:

(a) where the Relevant Asset is an Index:

(i) the Relevant Asset is suspended or ceases to be published for a period of 24 hours or more;

(ii) the Relevant Asset is not calculated and announced by the Index Sponsor, but is calculated and announced by a successor to the Index Sponsor;

(iii) the Relevant Asset is replaced by a successor index using the same or a substantially similar formula for and method of calculation; or

(iv) there is a Suspension or material limitation on trading of securities generally on a Relevant Exchange or a Related Exchange for a period of 24 hours or more;

(v) the Index Sponsor or any successor makes a material change in the formula for or the method of calculating the Relevant Asset or the basket constituents of the index or in any way materially modifies the Relevant Asset;

(b) any actual or proposed event that may reasonably (in the Issuer's opinion) be expected to lead to any of the events referred to in paragraphs (a);

(c) where any force majeure event occurs, or any other event occurs which the Issuer determines in good faith results in the performance of its obligations having become or becoming, in circumstances beyond its reasonable control, impossible, unlawful, illegal or otherwise prohibited;

(d) a Hedging disruption or increased cost of hedging or any termination of the Issuer's hedging arrangement or the adjustment or change of the Issuer's hedging arrangements occurs; or

(e) the Issuer's hedging arrangements are suspended, terminated, adjusted or changed for any reason as determined by the Calculation Agent for those hedging arrangements or any Asset relevant to the hedging arrangement is terminated suspended, adjusted or changed in any way;

(f) where the Relevant Asset is the Reference Index:

(i) any adjustment is made to the Reference Index to ensure that the Reference Index complies with the requirements of the Council Directive of 20 December 1985 on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (No 85/611/EEC), as amended from time to time, and supplemented in similar laws or regulations for financial indices;

(ii) any adjustment is made to the Reference Index that was required to reflect a change in economic circumstances to implement the Underlying Index;

(iii) the Reference Index Calculation Agent ceases or advises that it will cease, for any reason, to calculate the Reference Index;

(iv) any adjustment made to the Reference Index required for clarification or for minor or technical reasons including (without limitation) to correct any manifest or proven error or to cure, correct or supplement any ambiguity or defective provision contained in the methodology or rules relating to the Reference Index;

(v) other adjustments made to the Reference Index necessary to ensure the integrity of the Reference Index;

(vi) any other amendments, changes or variations to the Reference Index;

(g) a Change in law occurs;

(h) the net asset value of the Asset is not calculated or published as required, or the timing of the calculation or publication changes, or the methodology used changes;

(i) information about the Relevant Asset is not published or provided as required;

(j) trading in the Relevant Asset is suspended or restricted;

(k) the Relevant Asset, its manager or certain service providers become insolvent by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the issuer of the Relevant Asset;

(l) there is an event in respect of the Relevant Asset or its manager by which:

(i) the entity will be merged with another entity (unless it will continue as an entity without reclassification or change of its shares/units); or

(ii) there is a change in control of the entity;

(m) any other event occurs which the Issuer determines is an adjustment event for Units for the purposes of clause 6 of the Terms.

Agency Sale Arrangement

means the agreement by the Issuer to sell the ASX Listed Securities for and on behalf of, at the direction of and as agent for, the Investor on the Settlement Date in accordance with clause 8.3.4 of the Terms of Issue.

Applicant

means a person who completes an Application Form and lodges it with the Issuer.

Application

means an offer by the Investor to the Issuer to acquire the ASX Listed Securities on a deferred basis on the terms and conditions set out in the Terms.

Application Form

means the application form attached to or accompanying this PDS.

ASIC

means the Australian Securities and Investments Commission.

ASX

means the Australian Securities Exchange as operated by ASX Limited ABN 98 008 624 691.

ASX Listed Securities

has the meaning given to it in the Offer Summary, as adjusted pursuant to any Adjustment Event, or if such securities are not available for delivery at Maturity, such other securities or Units in a fund listed and trading on the ASX as the Issuer, in its sole discretion may decide.

ASX Listed Security Formula

means the number of ASX Listed Securities to be delivered by the Issuer to the Investor on the Settlement Date, which is determined by the following formula:

$$\frac{(MV \times N) - \text{Costs}}{CP}$$

where:

MV = Maturity Value per Unit;

N = Number of the Units held by each Investor;

CP = Average of the Closing Prices of the ASX Listed Securities; and

Costs = Any applicable Costs and Taxes associated with delivering the ASX Listed Securities.

AUSTRAC

means the Australian Transaction Reports and Analysis Centre which regulates the Anti-Money Laundering and Counter-Terrorism Financing Act 2006.

BBSW

means the interest rate which appears on the Reuters screen page BBSW as the average ask rate for Australian Dollar bills of exchange having a tenor of 180 days (being a rate which may vary on a daily basis).

Beneficial Interest

means the beneficial interest per the Units which an Investor acquires in the Portion of one or more of the ASX Listed Securities upon entering into the agreement to purchase the ASX Listed Securities and the Issuer accepting the Application in accordance with clause 8.8 of the Terms.

Business Day

means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

- (a) Sydney for any payments due under the Units; and
- (b) London in relation to any calculations, formulae, determinations relevant to the Reference Index; and
- (c) Sydney in relation to calculations, formulae, determination under the Unit.

Buy-Back

see "Issuer Buy-Back."

Buy-Back Date

means the date specified as such in the Offer Summary.

Buy-Back Price

means the amount determined by the Issuer in its absolute discretion in respect of the buy-back of the Units in accordance with clause 8.4.3(b).

Calculation Date

means a Business Day on which the Reference Index is scheduled to be calculated.

Change in Law

means that due to the adoption of, or any change in any applicable law or regulation (including any tax legislation), or due to the promulgation of or any change in the interpretation (by any court, tribunal or regulatory authority with competent jurisdiction) of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in good faith that it has become illegal for any party to hold, acquire or dispose of the relevant assets or the Issuer or any other party will incur a materially increased cost in performing its obligations under the Units (including due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

Closing Date

has the meaning given to it in the Offer Summary.

Closing Price

means in respect of an ASX Listed Security, the average weighted price at which the Issuer obtains the ASX Listed Security immediately following the Maturity Date (or in the case of Early Maturity, the Early Maturity Date) unless it is not possible to determine the price of the ASX Listed Security at that time in which case the Issuer may, in its absolute discretion, nominate another time or period of time to determine the average weighted price at which the Issuer obtains the ASX Listed Security.

Commencement Date

means the date on which economic exposure to the Reference Index is achieved.

Commodity or Commodities

means a commodity or commodities listed in the Offer Summary.

Corporations Act

means the *Corporations Act 2001 (Cth)* as amended from time to time.

Costs and Taxes

means any incidental costs or expenses incurred by the Issuer in relation to the transfer of any ASX Listed Securities to or for the benefit of the Investor following Maturity or Early Maturity. For the avoidance of doubt, this includes, without limitation, any amounts paid or incurred by the Issuer or its nominees on account of GST to the extent that input tax credits are not available or on account of any other Taxes incurred as a result of transferring the ASX Listed Securities on Maturity or Early Maturity.

Coupon

means the cash distribution per Unit as calculated in accordance with the coupon formula set out in the Offer Summary.

Coupon Payment Date

has the meaning provided in the Offer Summary.

Deal

means to acquire or dispose of any legal or beneficial interest, or mortgage, charge or in any way encumber or alienate.

Deed Poll

means the Deed Poll executed by the Guarantor and dated as specified in Section 4 of this PDS.

Deferred Purchase Agreement or DPA

means the agreement under which the Investor agrees to purchase the Delivery Parcel from the Issuer on a deferred basis on the terms and conditions set out in the Terms and the PDS.

Delivery Parcel

has the same meaning as ASX Listed Security Formula.

Distributions

means any distributions or income received in respect of the ASX Listed Securities.

Early Maturity

means accelerated maturity in accordance with clause 8.4 of the Terms.

Early Maturity Date

means the date notified to the Investor as such in the Early Maturity Notice.

Early Maturity Event

has the meaning given in clause 8.4.1 of the Terms.

Early Maturity Notice

means the notice provided by the Issuer to the Investor notifying the Investor of the occurrence of an Early Maturity Event (if relevant) in respect of the Units and that an Early Maturity will take place on the specified Early Maturity Date.

Early Maturity Value

means the fair economic value of the Unit at or around 5:00pm Sydney time on the Early Maturity Date as determined by the Issuer in its absolute discretion, unless it is not possible or practical to determine the fair economic value of the Unit at that time, in which case, the Issuer may nominate another time to determine the Early Maturity Value.

Expenses

means any costs, expenses or liabilities of the Issuer determined by the Issuer in its absolute discretion including, but not limited to, incidental or indirect costs and costs, unwinding of hedging arrangements, amounts paid or incurred on account of GST to the extent that input tax credit are not available and any upfront selling fees that may be applicable, incurred by the Issuer as a result of terminating the Units and notified by the Issuer as payable by the Investor as a result of:

- (a) the determination of an Early Maturity Date or Buy-Back Date or other early termination;
- (b) the termination or reversal of any arrangements or hedge position entered into by the Issuer in connection with the Units which is terminated early; or
- (c) any loss of profits that the Issuer may suffer by reason of an early termination.

Fees

means the costs and fees set out in Section 1.2 of this PDS.

First Period

has the meaning given to it in the Offer Summary.

First Period Return

means the amount calculated in accordance with the formula in the Offer Summary.

First Period End Date

has the meaning given to it in the Offer Summary.

GST

means the Goods and Services Tax.

Guaranteed Obligations

has the meaning given in Section 6 of this PDS.

Guarantee

means an irrevocable and unconditional guarantee by the Guarantor in respect of claims made before the date 12 months after the Units mature in accordance with the Terms a summary of which is set out in Section 6 of this PDS.

Guarantee Determination Date

has the meaning given to it in the Offer Summary.

Guarantor

means ABN AMRO Bank N.V. ABN 84 079 478 612.

Hedging Disruption

means a situation where on any date, on or after the Commencement Date up to and including the Settlement Date (which includes the Maturity Date) or any other relevant date, the Issuer is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Units, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

Increased Cost of Hedging

means a situation where on any date on or after the Commencement Date up to and including the Settlement Date (which includes the Maturity Date) or any other relevant date, the Issuer would incur a materially increased (as compared with circumstances existing on the Commencement Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Units, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the credit worthiness of the Issuer shall not be deemed an Increased Cost of Hedging.

Index Sponsor

Aquantum Algorithmic Limited.

Insolvency Event

means any of the following events:

- (a) an application is made to a court of competent jurisdiction for an order or an order is made that a body corporate be wound up;
- (b) an application is made to a court of competent jurisdiction for an order appointing a liquidator or provisional liquidator in respect of a body corporate, or one of them is appointed, whether or not under an order;
- (c) a body corporate enters into, or resolves to enter into, a scheme of arrangement, deed of company arrangement or composition with, or assignment for the benefit of, all or any class of its creditors, or it proposes a reorganisation, moratorium or other administration involving any creditor;
- (d) a body corporate resolves to wind itself up, or otherwise dissolve itself, or gives notice of intention to do so, except to reconstruct or amalgamate while solvent or is otherwise wound up or dissolved;
- (e) a body corporate is or states that it is insolvent;
- (f) as a result of the operation of section 459F(1) of the Corporations Act, a body corporate is taken to have failed to comply with a statutory demand;
- (g) a body corporate is, or makes a statement from which it may be reasonably deduced that the body corporate is, the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act;
- (h) a body corporate takes any step to obtain protection or is granted protection from its creditors, under any applicable legislation or an administrator is appointed to a body corporate;
- (i) a person becomes insolvent under administration as defined in section 9 of the Corporations Act or action is taken which could result in that event; or
- (j) anything analogous or having a substantially similar effect to any of the events specified above happens under the law of any applicable jurisdiction.

Instreet

means Instreet Investment Limited ABN 44 128 813 016.

Investment Amount

means the amount you invest in the Units.

Investor

means the person whose name is entered into the Register from time to time as the holder of the Units.

Investment Term

means a period from the Commencement Date until the Maturity Date as specified in the Offer Summary.

Issue Price

has the meaning given to it in the Offer Summary.

Issuer or We

means RBS Group (Australia) Pty Limited (ABN 78 000 862 797, AFSL: 247013).

Issuer Buy-Back

means an Investor requested Buy-Back of the Units by the Issuer.

Market Close

means 5:00pm AEST, or such other time as the Issuer may determine.

Market Disruption Event

means the occurrence or existence on any Business Day of any of the following events, in the determination of the Issuer:

- (a) the suspension or material limitation of:
 - (i) applications and redemptions of Units; or
 - (ii) trading in securities generally on the ASX, a market associated with the Reference Index or the Underlying Index, a Relevant Exchange or a Related Exchange; or
- (b) the Reference Index or Underlying Index ceases to exist or is materially changed, fails to be calculated and published, or the method of calculation materially changes; or
- (c) the declaration of a general moratorium in respect of banking activities in the country where any Relevant Exchange or any Related Exchange is located; or
- (d) the inability of the Issuer to unwind its hedge or related trading position relating to the Units due to illiquidity.

For the purposes of this definition, (1) a limitation on the hours and number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the Relevant Exchange or any Related Exchange; (2) a limitation on trading imposed during the course of a day by reason of movements in price otherwise exceeding levels permitted by the Relevant Exchange will constitute a Market Disruption Event; and (3) issues of materiality are to be determined in the discretion of the Issuer.

Maturity

means the completion by the Investor of the deferred purchase of the ASX Listed Securities in accordance with section 8.3 of the Terms, and “complete” has a corresponding meaning.

Maturity Date

has the meaning given to it in the Offer Summary, unless there is an Early Maturity under Section 8.4 of the Terms in which case the Maturity Date will be the Early Maturity Date.

Maturity Notice

means a notice issued by the Issuer in accordance with section 8.3.1 of the Terms.

Maturity Value

has the meaning given to it in the Offer Summary.

Minimum Investment

has the meaning given to it in the Offer Summary.

Offer

means the invitation made by the Issuer to apply for an issue of the Units pursuant to this PDS.

Offer Summary

means the summary of the Offer at the front of this PDS.

Offer Close Time or Offer Close

means 5:00pm Sydney time on the Closing Date or such other time as determined by the Issuer.

Opening Date

has the meaning given to it the Offer Summary.

Participation Rate

has the meaning given to it in the Offer Summary.

PDS

means this product disclosure statement (including any supplementary product disclosure statement) issued by RBS Group (Australia) Pty Limited in relation to the Offer as it may be updated, supplemented, varied or replaced from time to time.

Portion

means the number or fraction of one or more of the ASX Listed Securities as notified by the Issuer to the Investor in the notice sent in accordance with clause 8.1.4(c) of the Terms, in which an Investor acquires a Beneficial Interest on the Commencement Date.

RBS Group

Means RBS Group (Australia) Pty Ltd (ACN 000 862 797) together with its affiliates (including its parent entity), the Royal Bank of Scotland plc and subsidiaries.

Realised Volatility

means the realised volatility calculated as described in the Offer Summary and the formula set out in Section 10.

Reference Index

means the index referred to in the Offer Summary or Section 1 of this PDS.

Reference Index Calculation Agent

has the meaning given in the Offer Summary.

Reference Index Closing Price

means, with respect to the Reference Index, the level of the Reference Index at the Valuation Time.

Reference Index Fees

means the fees associated with the dynamic management of the Reference Index and described in Section 1.3 "Description of the Reference Index".

Reference Index Sponsor

has the meaning given to it in the Offer Summary.

Reference Index Value

means the value of the Reference Index calculated in accordance with the formula set out in the Offer Summary and Section 10.

Refund

means the fair value amount determined by the Issuer in its absolute discretion and by whatever means the Issuer deems appropriate. Without limiting the foregoing, in determining the Refund, the Issuer may adjust the Refund for any costs, losses or expenses that it incurs in relation to the Early Maturity, including without limitation, Fees, Costs, Taxes, Expenses, administrative costs, costs of unwinding any hedge put in place for the purposes of meeting its obligations under the Terms, and any cost of funding or any loss of bargain.

Register

means the registers and/or sub-registers of Investors to be kept pursuant to the Corporations Act.

Registrar

means Registries Limited ABN 003 209 836.

Relevant Asset

has the meaning given to it under Adjustment Event as outlined in this Glossary.

Related Exchange

means each exchange or quotation system where trading has a material effect (as determined by the Issuer) on the overall market for the futures, options, securities or other assets underlying the Reference Index are traded.

Relevant Exchange

means the primary exchange upon which the financial products which primarily constitute that index are traded, as determined in the absolute discretion of the Issuer.

Sale Proceeds

means the proceeds of the sale of the ASX Listed Securities obtained by the Issuer (or its nominee) on behalf of the Investor under the Agency Sale Arrangement, in accordance with clause 8.3.4 of the Terms, less any Costs and Taxes and Expenses applicable to the sale of the ASX Listed Securities.

Second Period

means the period from the Second Period Start Date to the scheduled Maturity Date.

Second Period Return

has the meaning given to it in the Offer Summary.

Second Period Start Date

has the meaning given to it in the Offer Summary.

Series

means a varied class of Unit with the particular features specified in the Offer Summary of this PDS that applies to the relevant class or "Series".

Settlement Date

means the date on which Investors take delivery of the ASX Listed Securities, being on or about the 10th Trading Day after the Maturity Date, or such later date as determined by the Issuer in its discretion as is reasonably necessary for the Issuer to fulfil its obligations under the Terms.

Suspension

means any temporary cessation of the trading or quotation of the ASX Listed Securities, including a trading halt on the ASX, a Relevant Exchange or a Related Exchange (as the context requires).

Tax or Taxes

means any income tax, capital gains tax, goods and services tax, stamp, financial institutions, registration and other duties, and other related taxes, levies, imposts, deductions, interest, penalties, charges, fees or other amounts payable by any person on, as a consequence of, or in connection with, the purchase, sale or transfer of, or the completion of the purchase and sale of any ASX Listed Securities.

Terms

means these Terms of Issue on which the Investor agrees to acquire the ASX Listed Securities from the Issuer and which are set out in Section 8 of this PDS.

Trading Day

means (a) with respect to the Reference Index, any day on which the Reference Index Sponsor calculates and publishes the closing level of the Reference Index according to its rules, and (b) with respect to the trading of the Units on the ASX, any day on which the ASX is open for trading.

Trust

means the Trust established in accordance with clause 8.8 of the Terms.

Trustee

means ABNED Nominees Pty Limited ABN 35 094 599 989.

Trust Property

means the ASX Listed Securities and Accretions held by the Trustee.

Underlying Index

has the meaning given to it in Section 1.3.

Unit(s)

has the meaning given to it in the Offer Summary, and as constituted by the agreement under which the Investor agrees to purchase the ASX Listed Securities from the Issuer on a deferred basis on the Terms set out in Section 8 of this PDS.

Valuation Date

means the dates specified in the Offer Summary, with respect to the Reference Index, or, if any such date is not a Trading Day, the following Trading Day, subject to a Market Disruption Event or Adjustment Event.

Valuation Time

means, (a) with respect to the Reference Index or Underlying Index, the time with reference to which the Reference Index Sponsor or the Index Sponsor calculates and publishes the closing level of the Reference Index or Underlying Index, and (b) with respect to a Commodity, the time at which the Relevant Exchange or Index publishes the daily closing price.

Volatility

means the effective realised volatility calculated as described in the Offer Summary and the formula set out in Section 10.

You or your

means Applicant or Investor as the context requires.

10. Formulae & Calculations

Reference Index

Reference Index Value_t = Reference Index Value_{t-1} * [1 + Participation Rate_{t-2} * Final Underlying Price_t / Final Underlying Price_{t-1} - 1]

Where:

Reference Index Value_t is the Reference Index Closing Price on Calculation Date **t**

Reference Index Value_{t-1} is the Reference Index Closing Price on the Calculation Date before Calculation Date **t**

Participation Rate_{t-2} is the Participation Rate on the Calculation Date 2 Calculation Dates prior to Calculation Date **t**

Final Underlying Price_t is the Final Underlying Price on Calculation Date **t**

Final Underlying Price_{t-1} is the Final Underlying Price on the Calculation Date prior to Calculation Date **t**

Participation Rate

On each Calculation Date, the table below will be used to calculate the applicable Participation Rate depending on the Volatility:

Volatility between:

Lower	Upper	Participation Rate
0.00%	4.00%	145.00%
4.00%	5.00%	120.00%
5.00%	6.00%	100.00%
6.00%	7.50%	80.00%
7.50%	10.00%	60.00%
15.00%	20.00%	20.00%
30.00%	40.00%	10.00%
40.00%		0.00%

Volatility

The Volatility on a Calculation Date is the maximum Realised Volatility measured by observing the Realised Volatility on that specific Calculation Date and the previous four Calculation Dates.

The Volatility can be calculated using the formula below:

$$ERV_t = \text{MAX}[RV_v]_{v=t}^{t-4}$$

Where:

ERV_t means the Volatility on Calculation Date **t**, and is the maximum Realised Volatility measured by observing the Realised Volatility (or "**RV**") on that specific Calculation Date and the previous four Calculation Dates (each an "**Observation Date**" **v**);

The Realised Volatility on an Observation Date is calculated by observing the 21 historical daily closing levels of the Final Underlying Price up to and including the Calculation Date in accordance with the following formula:

RV_v means the Realised Volatility of FP_t on Observation Date v (where v ranges from and including Calculation Date $t-4$ to and including Calculation Date t) calculated by observing the 21 historical daily closing levels of FP_t up to and including the closing level on Calculation Date v in accordance with the following formula:

$$RV_t = \sqrt{\frac{\sum_{j=0}^{19} [LogRtn_{t-j} - MeanLogRtn_t]^2}{19}} \times \sqrt{252}$$

where

j is the number of Calculation Dates before Calculation Date t , and varies from 0 to 19;

$LogRtn_{t-j}$ is calculated using the following equation: $LogRtn_{t-j} = \ln\left(\frac{FP_{t-j}}{FP_{t-j-1}}\right)$

$MeanLogRtn_t$ is calculated using the following equation: $MeanLogRtn_t = \frac{1}{20} \sum_{j=0}^{19} LogRtn_{t-j}$

Final Underlying Price

The Final Underlying Price on Calculation Date t is calculated by multiplying the Final Underlying Price on the Calculation Date prior to Calculation Date t by:

- a. the increase in the Net Underlying Price between Calculation Date t and the Calculation Date prior to Calculation Date t less
- b. the Performance Fee multiplied by the greater of:
 - i. zero, and
 - ii. the Net Underlying Price at Calculation Date t less the High Water Mark, all divided by the Net Underlying Price at the previous Calculation Date

The High Water Mark at Calculation Date t is the maximum of the High Water Mark and the Net Underlying Price at the previous Calculation Date.

The calculation of the Final Underlying Price can be expressed using the following formula:

$$FP_t = FP_{t-1} \times \left[\frac{NP_t}{NP_{t-1}} - PF \times \max\left(\frac{NP_t - HWM_t}{NP_{t-1}}, 0\right) \right]$$

Where:

On the Calculation Date that is August 7, 1997: $FP_t = 100.00$;

NP_t is the Net Underlying Price determined on Calculation Date t in accordance with the formula below;

PF is the "Performance Fee" and, as of the date of publication of this Description, is equal to 15%; and

" HWM_t " is the "High Water Mark" on Calculation Date t and is determined in accordance with the formula:

$$HWM_t = \max(HWM_{t-1}, NP_{t-1})$$

Where:

On the Calculation Date that is August 7, 1997: $HWM_t = 100.00$.

On the Calculation Date that is July 13, 2009, HWM_t will be equal to the Net Underlying Price on July 10, 2009 (or $NP_{t=July\ 10,\ 2009}$)

Net Underlying Price

The Net Underlying Price on Calculation Date t is calculated by multiplying the Net Underlying Price on the Calculation Date prior to Calculation Date t by:

1. the increase in the Underlying Index between Calculation Date t and the Calculation Date prior to Calculation Date t less
2. the Access Cost plus the Licensee Management Fee plus the Licensor Management Fee multiplied by the number of calendar dates from and the Calculation Date prior to Calculation Date t to and including Calculation Date t

The calculation of the Net Underlying Price can be expressed using the following formula:

$$NP_t = NP_{t-1} \times \left[\frac{P_t}{P_{t-1}} - (AC + MF_{Licensee} + MF_{Licensor}) \times \frac{t - (t-1)}{365} \right]$$

where

On the Calculation Date that is August 7, 1997: $NP_t = 100.00$;

P_t is the value of the Underlying (the “Underlying Price”) obtained by the Reference Index Calculation Agent from the Price Source on Calculation Date t ;

AC the “Access Cost” and, as of the date of publication of this Description, is equal to 1.20% per annum. The Access Cost can vary from 1.00% to 1.75% per annum;

$MF_{Licensee}$ is the “Licensee Management Fee” and, as of the date of publication of this Description, is equal to 1.15% per annum. The Licensee Management Fee can vary from 1.00% to 1.40% per annum;

$MF_{Licensor}$ is the “Licensor Management Fee” and, as of the date of publication of this Description, is equal to 0.35% per annum. The Licensor Management Fee can vary from 0.30% to 0.50% per annum; and

$t-(t-1)$ means the number of calendar dates from and excluding Calculation Date $t-1$ to and including Calculation Date t .

11. How to Invest

To apply for the Units, you must complete the Application Form in this PDS and send it, together with your payment or Direct Debit Request, to the Registrar.

The Issuer reserves the right to reject Applications for the Units without giving any reason or to allot to an Applicant fewer Units than applied for.

Application money on the Units which are not issued will be refunded without interest when confirmations of the Unit holdings are sent to successful applicants. Cheques for such refunds will be sent as soon as possible after the final close of the Offer.

Prior to allocation, Application money will be held on trust for you by the Issuer. The Issuer will be entitled to any interest earned on the Application money which will not form part of your Application money that is applied to acquire the Units.

Commission of an amount specified in Section 1.2 of this PDS is payable to your adviser on the total national exposure you receive for the Units purchased with the Application money provided with your Application Form. However, this commission is paid separately by RBS Group. Your adviser may elect to rebate a portion of the upfront or trailing commission. In this case, the total amount you pay for your investment will be reduced by the amount of the rebate. Please note that the Units are not issued in fractions.

By completing the Application Form, you acknowledge and agree that you have read and understood, and agree to accept the Units on the Terms set out in this PDS. In particular, you acknowledge that you understand the ownership restrictions that may apply to Holdings of the ASX Listed Securities as discussed in Section 3 of this PDS and represent that when the ASX Listed Securities are delivered to you those restrictions on ownership will not be breached.

You further acknowledge that by reason of the restrictions on ownership applicable in respect of the ASX Listed Securities if:

- (a) the Issuer or the Trustee is prevented from delivering the ASX Listed Securities to you;
- (b) you are prevented from taking delivery of the ASX Listed Securities; or
- (c) you are required to divest any or all of the ASX Listed Securities,

the Issuer will not be required to make any payment to you in substitution for the ASX Listed Securities and will not otherwise be liable to you for damages or otherwise.

Your guide to the Application Form

Please complete all relevant white sections of the Application Form in BLOCK LETTERS, using black or blue ink. The instructions are cross-referenced to each section of the form.

The financial products to which this Application Form relates are the Units. Further details about the Units are contained in this PDS issued by RBS Group (Australia) Pty Limited as the Issuer of the Units.

While the PDS is current, RBS Group (Australia) Pty Limited will send you paper copies of the PDS, any supplementary document and the Application Form, free of charge, on request.

The Australian Securities and Investment Commission require that a person who provides access to an electronic application form must provide access, by the same means and at the same time, to the relevant PDS (including any supplementary document). This Application Form is included in the PDS.

The PDS contains important information about investing in the Units. You should read the PDS before applying for the Units

Section A "Investor Details": Please indicate the type of investor you are. The Application Form states which sections need to be completed depending on what type of investor you are.

Section A1: Write the full name you wish to appear on the Register of the Units. This must be your own name. Up to two joint Applicants may register. This section is only for individual joint or sole trader applicants.

Section B: In this section you must elect contact details for your account. If your preferred contact details are those provided in Section A, you must indicate this. Joint investors with different residential addresses must elect one contact address. You may insert alternative contact details to those provided in Section A. E.g. you may indicate a postal address that is different to your residential address.

Section C: Insert the number of units you wish to purchase and the Total Investment Amount payable. The number of Units must be a minimum of 2,500 units with additional multiples of 2,500 units. Each Unit is issued for \$1.18. This section also relates to payment details. Please specify whether you will pay by Direct Debit or cheque.

Cheques must be drawn on an Australian bank and must be made payable to “RBS Group (Australia) Pty Limited” and crossed “Not Negotiable.” Pin (do not staple) your cheque to the Application Form.

Section D: You must provide your bank account details in this section (even if you have selected cheque as your payment method in Section C). The bank account must be in the same name as the Applicant(s). The bank account must be held with banks, building societies and credit unions within Australia. Third party bank accounts will not be accepted.

Section D2: You only need to complete this section if you selected Direct Debit as your payment method in Section C.

Section E: You must indicate in this section the person/s with authority to operate the account.

Section F: Please tick the box if you do not wish to be contacted by RBS or Instreet in relation to future investment opportunities.

Section G: You must provide certified copies of the required identification documents. These documents are identified in Section A.

Section H: You must sign this section of the Application Form. By signing the Application Form you are agreeing to the declarations set out in this section.

Adviser use only: This section of the Application Form will be completed by your financial adviser.

Trustee Declaration: If the Applicant is a Trust, the Trustee must complete this declaration.

Application Form content

As part of the Issuer’s and the Registrar’s obligations to comply with anti-money laundering legislation, we need to adequately identify you by collecting certain details. Depending on what type of investor you are (for example, an individual, company, Trustee or otherwise) there is different information you will need to complete.

TYPE OF INVESTOR	COMPLETION INSTRUCTIONS	CORRECT FORM OF REGISTERABLE TITLE	INCORRECT FORM OF REGISTERABLE TITLE
Individual	Use names in full, not initials	Mrs Jane Louise Chapman	J Chapman
Minor (a person under the age 18)	Use the name of a responsible adult, do not use the name of the minor	Mrs Sally Hamilton < Henry Hamilton >	Master Henry Hamilton
Company	Use company’s full title, not abbreviations	EAI Pty Ltd	EAI P/L EAI Co.
Joint Holdings	Use full and complete names	Mr James Alexander Peters Mrs Lucy Susan Peters	James Alexander & Lucy Susan Peters
Trusts	Use Trustee(s) personal name(s), do not use the name of the Trust	Mr Brian George Smith < Brian Smith A/C >	Brian Smith Family Trust
Estate of Deceased	Use executor(s) personal name(s), do not use the name of the deceased	Ms Sophia Garnet Post < Est Harold Post A/C >	Estate of late Harold Post or Harold Post Deceased
Partnerships	Use partners’ personal name(s), do not use the name of the partnership	Mr Frederick Samuel Smith & Mr Samuel Lawrence Smith < Fred Smith and Son A/C >	John Smith & Son
Long Names		Mr Hugh Adrian John Smith-Jones	Mr Hugh A J Smith Jones
Clubs/Unincorporated Bodies/ Business	Use office bearer(s) personal name(s), Do not use the name of the club, etc	John Smith < Vintage Wine Club A/C >	Vintage Wine Club
Superannuation Funds	Use name of Trustee of the Fund, do not use the name of the Fund	XYZ Pty Ltd < Super Fund A/C >	XYZ Pty Ltd Superannuation Fund

Put the name(s) of any joint Applicant(s) and/or account description using < > as indicated above in the designated space(s) at Section B on the Application Form.

ONLY legal entities are allowed to hold the Units. Applications must be in the name(s) of natural persons or companies. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registerable name may be included by way of an account designation if completed exactly as described in the examples of correct Forms above.

Insert your Tax File Number (TFN) or exemption category here. Business enterprises may alternatively quote their Australian Business Number (ABN). Where applicable, please enter the TFN or ABN for each Applicant.

Collection of TFN(s) and ABN(s) is authorised by taxation laws. Quotation of TFN(s) and ABN(s) is not compulsory and will not affect your Application; however, if these are not provided, the Issuer will be required to deduct tax at the highest marginal rate of tax (including the Medicare Levy) from payments of any income.

Please enter your residential address and email address for all correspondence. All communications to you from the Issuer and the Registrar will be sent to the person(s) and address as shown, unless different contact details are provided in Section B. Please enter your telephone number(s), area code and contact name in case we need to contact you in relation to your Application.

Lodgment Solutions

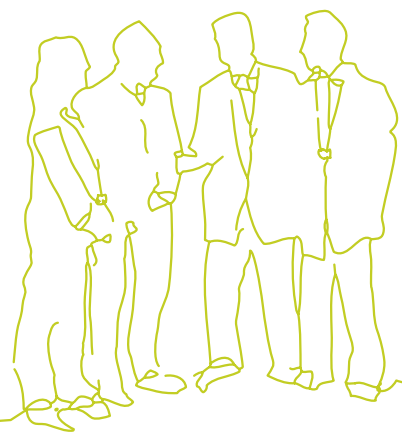
This Application Form and your cheque must be mailed or delivered so that it is received before 5.00pm (Sydney time) on 16 April 2010 at:

By post

RBS Group (Australia) Pty Limited – Absolute Return Commodities Index-Linked DPA
c/- Registries Limited
GPO Box 3993
Sydney NSW 2001

In person

RBS Group (Australia) Pty Limited – Instreet Link ARC DPA
c/- Registries Limited
Level 7, 207 Kent Street
Sydney NSW 2000



Instreet Link ARC Absolute Return Commodities Deferred Purchase Agreements

Application Form

This is an Application Form for Units in the Instreet Link ARC Deferred Purchase Agreements issued by RBS Group (Australia) Pty Limited ABN 78 000 862 797, AFSL: 247013. This Application Form accompanies the Product Disclosure Statement (PDS) dated 1 February 2010. It is important that you read the PDS in full and the acknowledgements contained in this Application Form before applying for the Units. The Issuer will provide you with a paper copy of the PDS including any supplementary PDS and the Application Form, on request, without charge.

A person who gives another person access to the Application Form must at the same time and by the same means give the other person access to the PDS including any supplemental PDS.

Please see the instructions on how to complete this Application Form in the PDS.

The Minimum Investment is 2,500 units.

This Application Form and your initial investment amount must be received by the Registrar by 4:00pm in order to be processed that Business day.

Units are only issued on receipt of:

- this Application Form,
- verification of the applicant's identity, and
- payment in full.

Potential investors should obtain independent financial and taxation advice as to the suitability of this investment to them having regard to their investment objectives, financial situation and particular needs. Nothing in this PDS is a recommendation by the Issuer or its related bodies

Wealth Focus Pty Ltd
PO Box 760
Manly
NSW 1655
Tel: 1300 559 869
AFSL: 314872

SECTION A – INVESTOR DETAILS

What type of person or entity is applying? Please tick one box ONLY and complete all the sections indicated.

- Individual, joint or sole trader – **must complete section A1, B, C, D1, E and H**
- Partnership – **must complete A1, A4, B, C, D1, E and H**
- Australian Company – **must complete A1 (Directors), A2, B, C, D1, E and H**
- Trust / Super Fund with Individuals as Trustee – **must complete A1 (Trustees), A3, B, C, D1, E and H**
- Trust / Super Fund with Corporate Trustee – **must complete A1 (Directors), A2 (Company), A3, B, C, D1, E and H**
- Other:

For other entities, including foreign companies, please contact us for an appropriate Application Form.

A1 INDIVIDUAL INVESTOR DETAILS (MUST COMPLETE) (including individuals acting as Trustee and corporate directors) INVESTOR 1 (Your name MUST match your ID exactly.)

All individuals must provide certified copies of photo identification, such as passports, driver's licenses or similar government-issued photo ID

Title:	Given Names (in full):	Surname:	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
Date of Birth (dd/mm/yyyy)	Country of Citizenship	<input type="text"/>	
<input type="text"/>	<input type="text"/>		
Are you an Australian resident for tax purposes?	<input type="checkbox"/> yes	<input type="checkbox"/> no	
If no, please specify your country of tax residence	<input type="text"/>		
Australian Tax File Number	<input type="text"/>	OR <input type="checkbox"/> Exempt from quoting a tax file number	
Exemption details (if applicable)	<input type="text"/>		
Residential Address	<input type="text"/>		
<input type="text"/>	<input type="text"/>		
City/Suburb/Town	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Email	<input type="text"/>		
Telephone (home)	Area code	Number	<input type="text"/>
Telephone (business hours)	Area code	Number	<input type="text"/>
Mobile	<input type="text"/>		
Fax	Area code	Number	<input type="text"/>

INVESTOR 2 (Your name MUST match your ID exactly.)

All individuals must provide certified copies of photo identification, such as passports, driver's licenses or similar government-issued photo ID

Title: Given Names (in full): Surname:

Date of Birth (dd/mm/yyyy) Country of Citizenship

Are you an Australian resident for tax purposes? yes no

If no, please specify your country of tax residence

Australian Tax File Number OR Exempt from quoting a tax file number

Exemption details (if applicable)

Residential Address

City/Suburb/Town State Postcode Country

Email

Telephone (home) Area code Number

Telephone (business hours) Area code Number

Mobile

Fax Area code Number

COMPLETE THIS PART IF INDIVIDUAL IS A SOLETRADER

Full Business Name (if any) ABN

Principal Place of Business (if any) (PO Box is NOT acceptable)

City/Suburb/Town State Postcode Country

Email

Telephone (home) Area code Number

Telephone (business hours) Area code Number

Mobile

Fax Area code Number

A2 AUSTRALIAN CORPORATIONS & CORPORATE TRUSTEES

Must provide a certified copy of an ASIC search on the company name or certificate of registration

Full name of the company as registered by ASIC ABN

Registered Office Address (PO Box is NOT acceptable)

City/Suburb/Town State Postcode Country

Principal Place of Business Address (PO Box is NOT acceptable)

City/Suburb/Town State Postcode Country

Email

Telephone (home)

Area code

Number

Telephone (business hours)

Area code

Number

Mobile

Fax

Area code

Number

Company type

Public – note each Director must also complete A1

Proprietary – complete Director details below and each Director must also complete A1

How many directors are there?

Each Director's name in full (in CAPITALS)

Are you an Australian resident for tax purposes?

yes

no

If no, please specify your country of tax residence

Australian Tax File Number

OR

Exempt from quoting a tax file number

Exemption details (if applicable)

A3 TRUSTS or SUPER FUND DETAILS

Must provide certified copy of the first few pages of the Trust deed or ATO website extract or ATO communication. The Trustees Declaration Form attached to this Application Form must also be completed by the Trustee (unless the Applicant is a Trustee of a SMSF).

Name of Trust or Fund

Country of establishment

Date of establishment

ABN

Business name of the Trustee (if any)

Note: individual trustees must complete A1; corporate trustees must complete A2

Type of Trust

Regulated Trust (SMSF)

Registered managed investment scheme

Unregistered managed investment scheme with only wholesale clients which does not make small-scale offerings under section 1012E of the Corporations Act 2001

Government superannuation fund

Other

Are you an Australian resident for tax purposes?

yes

no

If no, please specify your country of tax residence

Australian Tax File Number

OR

Exempt from quoting a tax file number

Exemption details (if applicable)

NOTE: The Issuer only recognises the Trustee(s) as the investor and not the beneficiary, therefore the Trustee(s) details must be given above. However the Issuer is also required to record the individual beneficiary details or, if the terms of the trust identify the beneficiaries by reference to class, the details of the class.

BENEFICIARY 1
Name

ABN (if applicable)

BENEFICIARY 2
Name

ABN (if applicable)

BENEFICIARY 3
Name

ABN (if applicable)

BENEFICIARY 4
Name

ABN (if applicable)

Class Details of Beneficiaries

A4 PARTNERSHIPS

Must provide certified copy of the Partnership Agreement or ATO correspondence in the past 12 months or Certificate of Registration.

Full Name of the Partnership

Full business name of Partnership registered in any State or Territory (if applicable)

Business of Partnership

Country of Establishment

Date of Establishment

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Are you an Australian resident for tax purposes? yes no

If no, please specify your country of tax residence

Australian Tax File Number

OR

Exempt from quoting a tax file number

Exemption details (if applicable)

Each Partner's details (in CAPITALS)

Full Name

Full Residential Address

Partnership Share

NB: One Partner MUST complete A1

SECTION B – ACCOUNT CONTACT DETAILS (MUST COMPLETE)

Please indicate your preferred account contact details:

Same as Section A

Joint investors with different residential addresses must elect just one address:

Investor 1

Investor 2

Other. Please complete the following if contact details are different from those provided in Section A.

We will not accept your financial adviser's address.

Account Designation (optional)

Main Contact

Postal Address

City/Suburb/Town

State

Postcode

Country

Email

Telephone (home)

Area code

Number

Telephone (business hours)

Area code

Number

Mobile

Fax

Area code

Number

SECTION C – INVESTMENT DETAILS (MUST COMPLETE)

Details of the Units to be purchased:

	Issue Price per Unit	Number to be Purchased (minimum 2,500 units)	Total Investment Amount Payable
Example	A\$1.18	2,500	A\$1.18 x 2,500 = A\$2,950
Total			A\$ <input type="text"/>
Adviser Fee Rebate Amount			A\$ <input type="text"/>
Total Payment Amount			A\$ <input type="text"/>

For Australian Investors:

Please tick the box below to advise how your payment will be made.

Direct Debit

Please complete Bank Account Details and Direct Debit Authority in Section D1 and D2.

A Direct Debit Dishonour Fee will apply if insufficient funds are available in your nominated account

Cheque

Please make cheque payable to: "RBS Group (Australia) Pty Limited" and cross it "Not Negotiable"

SECTION D1 – BANK ACCOUNT DETAILS (MUST COMPLETE even if you have selected Cheque)

All investors must complete this Section by providing details of an Australian banking institution for Issuer Buy-Backs. The nominated bank account must be in the name of the Applicant.

Bank Name/Institution			
Branch name and address			
City/Suburb/Town	State	Postcode	Country
BSB	Account Number		
Account Name			

SECTION D2 – DIRECT DEBIT AUTHORITY (Complete only if paying by Direct Debit)

If the account nominated above is to be used to debit any fees, or any stamp duty if applicable, incurred in connection with my/our investment in the Instreet Link ARC Deferred Purchase Agreements, I/we:

Surname or Company Name	Given Name or ABN
Surname or Company Name	Given Name or ABN

authorise and request you, (or its nominee, assignee, transferee, participant or sub-participant as required), until further notice in writing, to debit my/our account described above with any amounts which you may properly debit or change me/us through the Direct Debit system. The Investment Amount may be deducted at any time from when you lodge this Application and the Commencement Date. Investors should ensure sufficient funds are in the nominated account during that time to prevent any dishonour fees.

I/We understand and acknowledge that:

- By executing this Application Form, I/we have read and understood the terms of the Direct Debit Request Service Agreement in Appendix A in the PDS.
- My/Our bank/financial institution may, in its absolute discretion, determine the order of priority of payment by it of any monies pursuant to this request or any authority or mandate.
- My/Our bank/financial institution may, in its absolute discretion, at any time by notice in writing to me/us, terminate this Direct Debit Request as to future debits.

RBS Group (Australia) Pty Limited may by prior arrangement and advice to me/us, vary the amount or frequency of future debits.

Please complete the signature page (Section H) of this Application Form.

SECTION E – OPERATING AUTHORITY (MUST COMPLETE)

When giving instructions to us about your investment, please indicate who has authority to operate your account:
INDIVIDUAL/JOINT ACCOUNTS (if no box is ticked we will assume all can sign).

any one to sign both to sign

COMPANY, TRUST, SUPER FUND ACCOUNTS

(if no box is ticked all future written instructions must be signed by two directors/Trustees, director and secretary, or the sole director).

any one to sign any two to sign all to sign other _____

SECTION F – PRIVACY

Instreet or RBS may wish to contact you about future investment opportunities that may be of interest. Please tick the box if you do NOT wish to be contacted for this purpose.

I/We do not wish to receive information from Instreet or RBS regarding future investment opportunities.

SECTION G – PROVIDING IDENTIFICATION

I/We confirm I/we have ATTACHED CERTIFIED COPIES of the required proof of identification with this Application Form for each Investor/Applicant.

An Authorised Representative of an AFSL older can certify the copies required for identification. The adviser should include his Signature, Name, AFSL and Date.

SECTION H – DECLARATIONS & SIGNATURES

YOU SHOULD READ THE PDS IN FULL BEFORE SIGNING THIS APPLICATION FORM.

By completing the Application Form you:

- (1) declare that you have read and understood this PDS to which this Application relates.
- (2) declare that you have read and understood Section 8 "Terms of Issue".
- (3) agree to the collection, use and disclosure of your personal information provided in the Application Form.
- (4) declare that you have received this PDS personally, or a print-out of it, accompanied by or attached to the Application Form before signing the form.
- (5) declare that all information provided in the Application Form or any other information provided in support of the Application is true and correct.
- (6) declare if you have received the PDS from the internet or other electronic means, that it was received either personally or a printout accompanied the Application Form before making an Application for Units.
- (7) acknowledge that none of Issuer, Guarantor or the custodian or any member of their respective groups or any of their directors or associates or any other entity guarantees the performance of or the repayment of capital invested in, or income from the Units.
- (8) declare that if the Application Form is signed under power of attorney, you have no knowledge of the revocation of that power of attorney.
- (9) declare that you have the power to make an investment in accordance with the Application.
- (10) declare that you have read and understood the Direct Debit Request Service Agreement contained in Appendix A.
- (11) confirm and make the declarations set out in the Direct Debit Authority.
- (12) declare that sole signatories signing on behalf of a company are signing as sole director or as a sole director/secretary of the company.
- (13) acknowledge that an investment in the Units is subject to risks, including possible delays in repayment and possible loss of capital invested.
- (14) agree to be bound by the provisions of the terms and conditions of the Units set out in the PDS, specifically those contained in Section 8 "Terms of Issue", and as amended from time to time.
- (15) agree to give further information or personal details to the issuer if it reasonably believes that it is required to meet its obligations under anti-money laundering counter-terrorism or taxation legislation. By making this Application, you represent and covenant that the funds you are investing are not the proceeds of crime, money laundering, nor connected with the financing of terrorism. You agree that the Issuer may in its absolute discretion determine not to issue units to you, may cancel any Units that have been issued to you or may redeem any Units issued to you if the Issuer believes that such action is necessary or desirable in the light of its obligations under the Commonwealth *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* or any related legislation. (14) agree to be bound by the provisions of the terms and conditions of the Units set out in the PDS, specifically those contained in Section 8 "Terms of Issue", and as amended from time to time.
- (16) irrevocably appoint for valuable consideration the Issuer, its related bodies corporate and each of their respective employees whose title includes the word "director" jointly, and each of them severally as my/our true and lawful agent to do:
 - (a) everything necessary or expedient to bind you to the Terms, complete any blanks in the Terms and date and execute the Terms on your behalf;
 - (b) anything which you must do under or in relation to the Terms or any other agreement or arrangement between you and RBS relating to the Units (including arranging physical delivery of the Delivery Assets or acting in accordance with the Agency Sale Arrangement); and
 - (c) anything incidental or necessary in relation to the above (including, but not limited to, completing any blanks in this Application Form and appointing any person as sub-agent to do any of the above).
- (17) indemnify the agent against all claims, losses, damages and expenses suffered or incurred as a result of anything done in accordance with the above agency appointment.

I/We have read the PDS and accept the terms contained herein.

Dated this Day of , 20

If the Investor(s) is/are individual(s)

Signature

Signature

Print name

Print name

If the Investor is not an individual (e.g. a Company or Trustee of a Superannuation Fund)

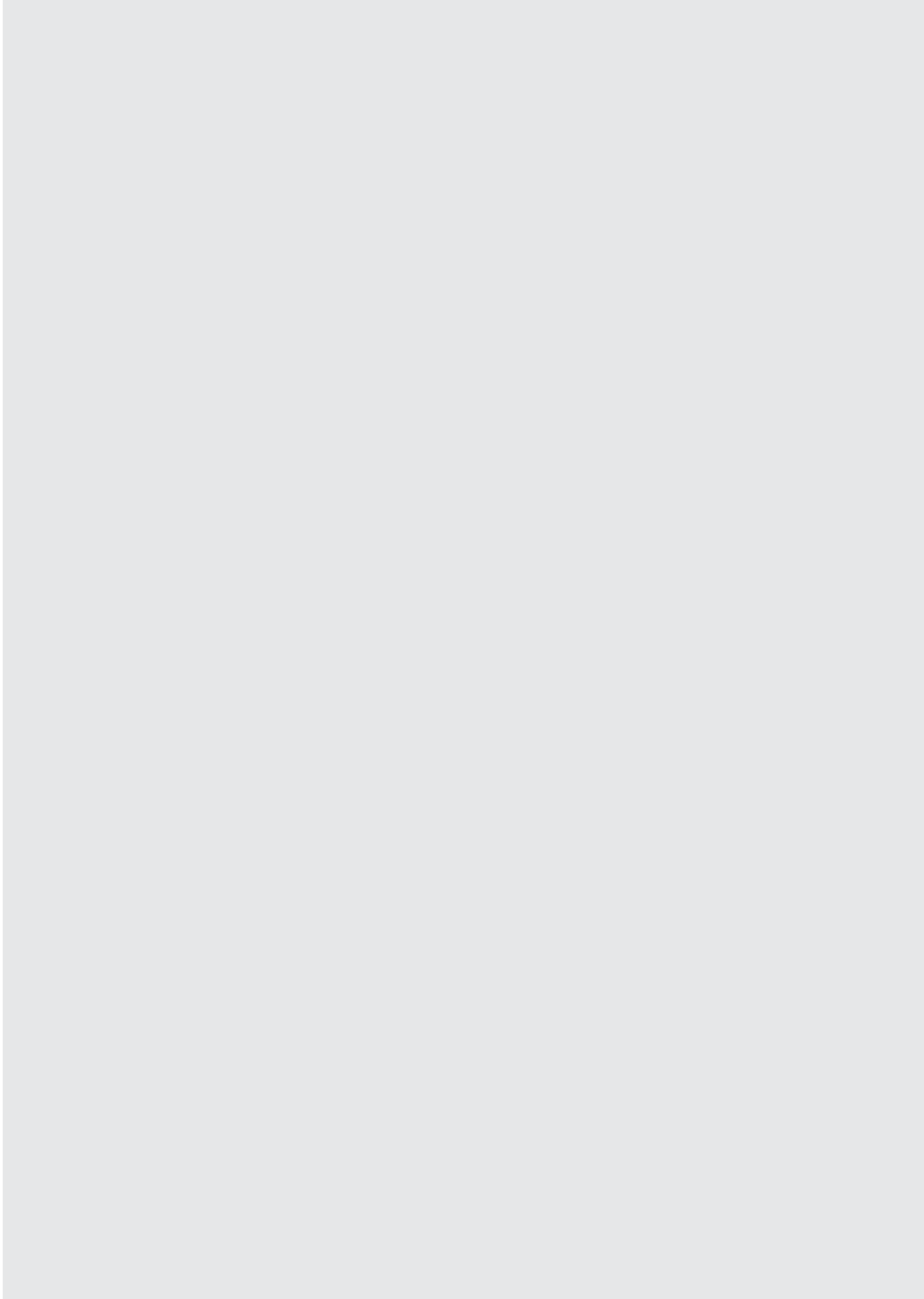
Company name/Trust name

Sole director/director of company/secretary or Trustee signature

Director/secretary or Trustee signature

Print name

Print name



DIRECT DEBIT REQUEST SERVICE AGREEMENT

Between the Investor and RBS Group (Australia) Pty Limited.

1. Definitions

The following definitions apply in this agreement.

"Account" means the account held at Your Financial Institution from which We are authorized to arrange for funds to be debited.

"Agreement" means this Direct Debit Request Service Agreement between you and us.

"Banking Day" means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia.

"Debit Day" means the day that payment by you to us is due.

"Debit Payment" means a particular transaction where a debit is made.

"Direct Debit Request" means the Direct Debit Request between us and you.

"Our, Us or We" means RBS Group (Australia) Pty Limited 78 000 862 787 ("RBS") which you have authorized by signing a Direct Debit Request.

"PDS" means the document to which this Agreement was attached and which sets out the terms of the offer of Link Arc Series 2 Deferred Purchase Agreements.

"You or Your" means the person(s) who has signed or authorized by other means the Direct Debit Request.

"Your Financial Institution" is the financial institution where you hold the Account that You have authorized us to arrange to debit.

2. Debiting Your Account

2.1 By signing an Application Form that contains the Direct Debit Request, You have authorized Us to arrange for funds to be debited from your account. You should refer to the Direct Debit Request and this agreement for the terms of the arrangement between us and you.

2.2 We will only arrange for funds to be debited from your Account as authorised in the Direct Debit Request.

2.3 If the Debt Day fails on a day that is not a Banking Day, We may direct your Financial Institution to debit Your Account on the following Banking Day.

2.4 If You are unsure about which day your Account has or will be debited you should ask Your Financial Institution.

3. Amendments by us

3.1 We may vary any details of this Agreement or a Direct Debit Request at any time by giving you at least fourteen (14) days written notice.

4. Amendments by You

4.1 You may change, stop or defer a debit payment, or terminate this agreement by providing us with at least fourteen (14) days notification by writing to: Unit Registry

RBS Group (Australia) Pty Limited
c/o Registries Limited
GPO BOX 3993
Sydney, NSW, 2001

or

by telephoning us on 1300 737 760 during business hours;

or

arranging it through your own financial institution.

5. Your Obligations

5.1 It is your responsibility to ensure that there are sufficient clear funds available in your Account to allow a Debit Payment to be made in accordance with the Direct Debit Request.

5.2 If there are insufficient clear funds in your Account to meet a Debit Payment:

(a) You may be charged a fee and/or interest by Your Financial Institution;

(b) You may also incur fees or charges imposed or incurred by us; and

(c) You must arrange for the Debit Payment to be made by another method or arrange for sufficient clear funds to be in your Account by an agreed time so that We can process the Debit Payment.

5.3 You should check your account statement to verify that the amounts debited from your Account are correct

5.4 If We are liable to pay goods and services tax ("GST") on a supply made in connection with this Agreement, then you agree to pay us on demand an amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

6. Dispute

6.1 If you believe that there has been an error in debiting your Account, You should notify us directly and confirm that notice in writing with us as soon as possible so that We can resolve your query more quickly. Alternatively, you can take it up with your Financial Institution direct.

6.2 If we conclude as a result of our investigations that your Account has been incorrectly debited we will respond to your query by arranging for Your Financial Institution to adjust your account (including interest and charges) accordingly. We will also notify you in writing of the amount by which your Account has been adjusted.

6.3 If we conclude as a result of our investigations that your Account has not been incorrectly debited we will respond to your query by providing you with reasons and any evidence for this finding in writing.

7. Accounts

You should check:

(a) with Your Financial Institution whether direct debiting is available from your account as direct debiting is not available on all accounts offered by financial institutions;

(b) Your account details which you have provided to Us are correct by checking them against a recent account statement; and

(c) with Your Financial Institution before completing the Direct Debit Request if you have any queries about how to complete the Direct Debit Request.

8. Confidentiality

8.1 We will keep any information (including your account details) in your Direct Debit Request confidential. We will make reasonable efforts to keep any such information that we have about you secure and to ensure that any of our employees or agents who have access to information about you do not make any unauthorized use, modification, reproduction or disclosure of that information.

8.2 We will only disclose information that we have about you:

(a) to the extent specifically required by law; or

(b) for the purposes of this agreement (including disclosing information in connection with any query or claim).

9. Notice

9.1 If you wish to notify us in writing about anything relating to this agreement, you should write to your Account Manager.

9.2 We will notify you by sending a notice in the ordinary post to the address you have given us in the Application Form to the PDS.

9.3 Any notice will be deemed to have been received on the third Banking Day after posting. Execution by you of the Application Form that contains the Direct Debit Request deems you to have read and understood the terms of this Direct Debit Request Service Agreement.

ADVISER USE ONLY

Adviser Name (in full)

Adviser Postal Residential Address

City/Suburb/Town

State

Postcode

Country

Adviser Code with Client Asset Management Ltd (if known)

Adviser Phone (business hours)

Adviser Email

Adviser Fee (Up to 2%) - Adviser Fee Adjustment (Multiples of 1%) = Net Adviser Fee

 - =

Adviser Stamp
Wealth Focus Pty Ltd
PO Box 760
Manly
NSW 1655
Tel: 1300 559 869
AFSL: 314872

Dealer Group Name

Dealer Group branch (Suburb, State)

Dealer Postal Address

City/Suburb/Town

State

Postcode

Country

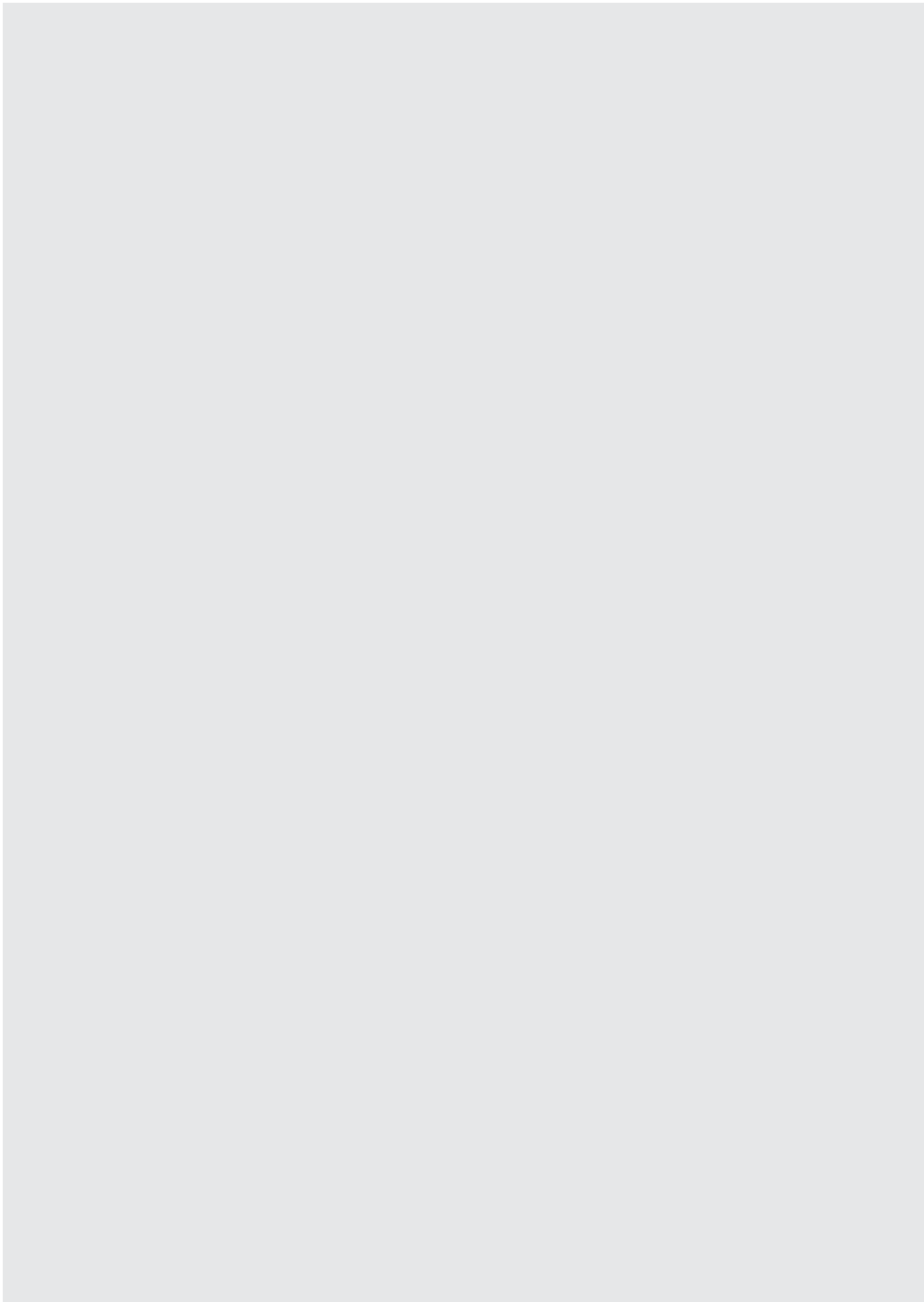
Dealer Phone (business hours)

Dealer Code with Client Asset Management Ltd (if known)

Dealer Group Email

AFS License

ABN



TRUSTEE DECLARATION (not required for SMSF Applications)

This form must be provided to the Issuer by you, as Trustee of the Trust named in the Application Form ("the Trust"), if you are applying for Instreet Link Series 2 Absolute Return Commodities (ARC) Deferred Purchase Agreements (DPAs).

Dear Sir / Madam,

This Trustee's Declaration is provided to the Issuer (and each of its related bodies corporate) in connection with the issue of Instreet Link Series 2 ARC DPAs.

I am the Trustee of the Trust and am familiar with the documents constituting the Trust ("the Trust Documents") (and as amended if applicable) purporting to establish, and relating to, the Trust.

I hereby declare and confirm that:

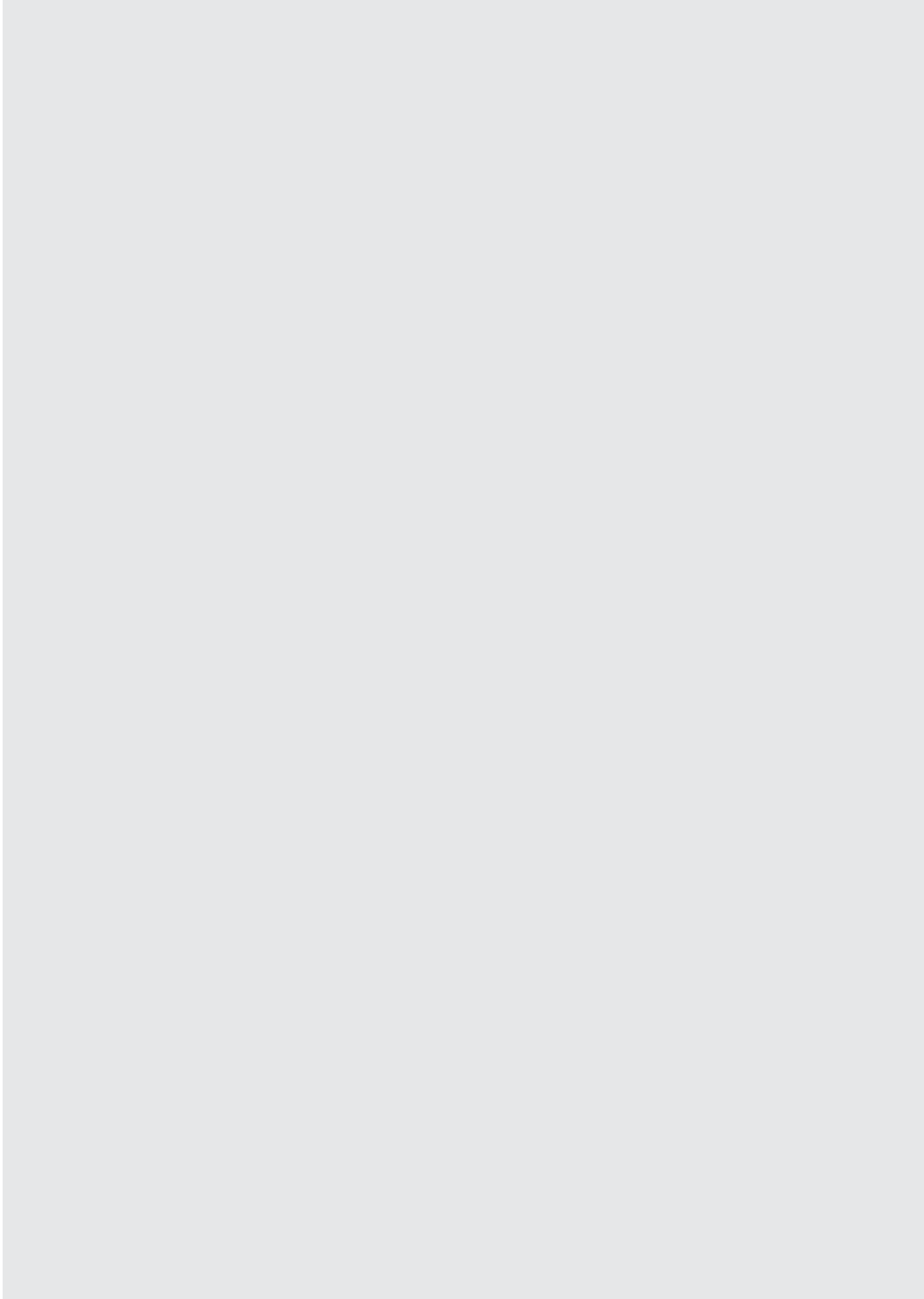
1. The Trust and the Trust Documents to have been validly constituted and is subsisting at the date of this declaration.
2. I am empowered and authorised by the terms of the Trust Documents examined by me to enter into and bind the Trust to the transactions contemplated by the Terms of the Instreet Link ARC DPAs and the PDS dated 1 February 2010.

Trustee

Print name

Signature

Date



Adviser and Office Use Only

Know Your Client – Investor Application Signoff by your Financial Adviser

This form is to be completed by all financial Advisers and returned to RBS together with the completed Application form and any required attachments.

1. Insert subscription Application number (if applicable)

2. I confirm the following:

- (i) The Application Form is completed and signed;
- (ii) The Declaration in Section H is completed and signed;
- (iii) For Trustee applicants (that is not a SMSF) the Trustee Declaration is completed and signed; and
- (iv) For Trustee applicants (that is not a SMSF) a certified copy of the dated and stamped Trust Deed together with any amendments, or other document evidencing the terms of the trust, is enclosed.

3. I confirm:

That in accordance with the requirements of the AML/CTF Act:

- a) The applicant's identity has been verified;
- b) The methods and procedures used in relation to the verification and identification of the client have been carried out in accordance with AML/CTF Legislation and Regulations;
- c) If requested, the verification and identity record, made in accordance with section 112(2) of the AML/CTF Act will be made available to RBS; and
- d) Details of identity document(s) sighted such as the document number are noted below.

Applicant #1

Given Name(s)

Surname

Type of Document

Type of Document

Document Number

Document Number

Expiry Date

Expiry Date

Applicant #2

Given Name(s)

Surname

Type of Document

Type of Document

Document Number

Document Number

Expiry Date

Expiry Date

Adviser

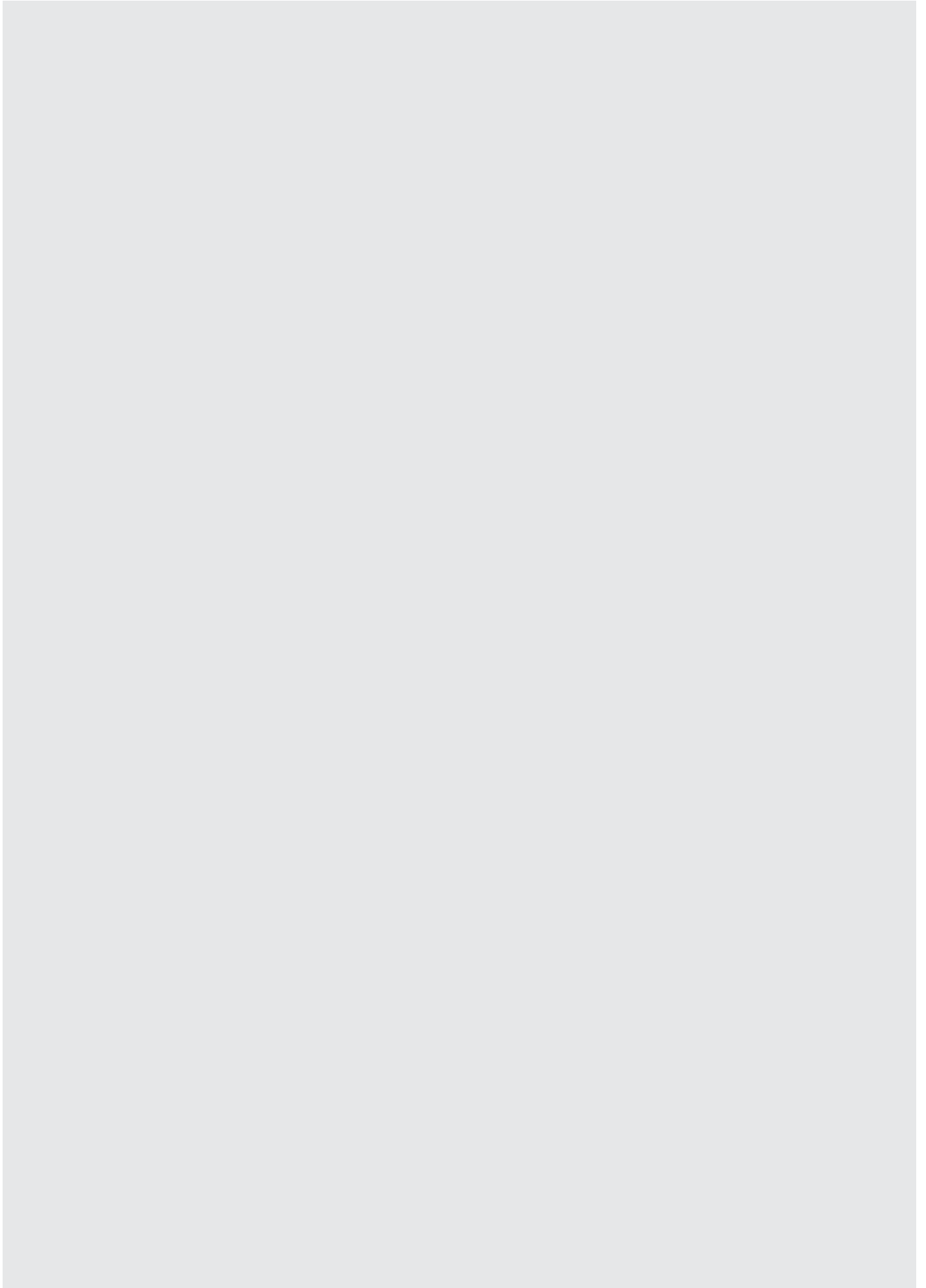
Signature

Date

Name

Job Title

Organisation



(Only complete this form to request an Issuer Buy-Back. Do not include this form with your Application.)

This is an Issuer Buy-Back Form for Units in the Instreet Link ARC Deferred Purchase Agreements issued by RBS Group (Australia) Pty Limited ABN 78 000 862 797, AFSL: 247013. This Issuer Buy-Back Form accompanies the PDS dated 1 February 2010 and any supplementary PDS issued for the Units (PDS).

This form is to be used if you are an Investor in the Units and wish to request an Issuer Buy-Back on one of the Buy-Back Dates (prior to Maturity). You may only request an Issuer Buy-Back in relation to all your Units.

This request for Issuer Buy-Back must be received no later than 10 Business Days prior to the Buy-Back Date.

SECTION A – INVESTOR DETAILS

I/We hereby apply for my/our entire holding of Instreet Link ARC Absolute Return Commodities Deferred Purchase Agreements Units issued by RBS Group (Australia) Pty Limited pursuant to the PDS dated 1 February 2010 to be transferred from me/us to the Issuer.

Name of Seller (if a company, please provide full name and ABN/ACN/ARBN):

Address

City/Suburb/Town

State

Postcode

Country

Telephone

SECTION B – DECLARATIONS & SIGNATURES

I/We the registered Unitholder(s) request the Issuer Buy-Back the Units specified above, subject to the conditions contained in the PDS on which I/we held those Units at the time of signing of this form. I/We have full legal power to request this Issuer Buy-Back and do so free of any encumbrance or security (whether registered or not).

Signature of Unitholder 1

Name of Unitholder 1

Date

Tick capacity - mandatory for companies

Sole Director

Director

Secretary

Signature of Unitholder 2

Name of Unitholder 2

Date

Tick capacity - mandatory for companies

Sole Director

Director

Secretary

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Directory

Issuer

RBS Group Australia Pty Limited
ABN 78 000 862 797, AFSL 247013
Level 29, 88 Phillip Street
GPO Box 4675
Sydney NSW 2001

Guarantor

ABN AMRO Bank N.V.
ABN 84 079 478 612
Level 29, 88 Phillip Street
Sydney NSW 2000

Trustee

ABNED Nominees Pty Limited
ABN 35 094 599 989, AFSL 246795
Level 29, 88 Phillip Street
Sydney NSW 2000

Distribution Manager

Instreet Investment Limited
PO Box R380
Royal Exchange NSW 1225
Email: info@instreet.com.au
Tel: 1300 954 678
Fax: 02 8216 0701
www.instreet.com.au

Structurer

Link Capital Investments Pty Ltd
PO Box R1050
Royal Exchange NSW 1225
Email: info@linkcapital.com.au
Tel: (02) 8216 0850

Registrar

Registries Limited
Level 7, 207 Kent Street
Sydney NSW 2000

Legal and Tax Adviser to the Issuer

Baker & McKenzie
Level 27, AMP Centre
50 Bridge Street
Sydney NSW 2000



Link^{arc}

INstreet Investment Limited can be contacted at
Level 34, 50 Bridge Street, Sydney NSW 2000, by
telephone 1300 954 678 and email info@instreet.com.au
Our web address is www.instreet.com.au