

# Navigator - Issue 1

A 'long' or 'short' structured deposit designed to capture growth in both bullish and bearish markets

**Innovation as standard**



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# Navigator

Navigator is a five year structured deposit designed to capture growth in both bullish and bearish markets. It is linked to the performance of the RBS UK Navigator Index, providing the opportunity to return 100% of the growth plus initial capital if held until maturity.

RBS UK Navigator Index (top 100 UK equities by market capitalisation) offers the opportunity to realise positive returns in both rising and falling equity markets using dynamic investment techniques.

## At a glance...

- Five year structured deposit which aims to track the performance of the top 100 UK equities (by market capitalisation), giving customers the opportunity for positive returns in both rising and falling markets
- 100% of the growth in the RBS UK Navigator Index after five years
- 'Moving Averages' determine whether a trend is positive or negative
- Your capital is fully protected provided it is held until maturity
- Available in sterling only
- Minimum deposit of £10,000

# Your **Navigator** account explained...

## Why Navigator?

With the Bank of England Base Rate at its lowest level for over 300 years, many individuals are seeking a home for their money. Investing in an environment of unpredictability can be a daunting task, and the old saying “markets can fall as well as rise” has hit home to many equity market investors.

With the right strategy, linking funds to the equity markets can still offer exciting opportunities. Navigator is designed to offer the potential for attractive returns, linked to the performance of UK equities, in both rising and falling markets, with the added safety of 100% capital protection, if held to maturity of the 5 year term.

The Navigator account is linked to Securities which reference the performance of the RBS UK Navigator Index which is specifically designed to offer customers the opportunity to realise positive returns in both rising and falling markets by utilising sophisticated dynamic investment techniques.

The RBS UK Navigator Index monitors the trend of a market (e.g. is it in a bull or bear market) and volatility (i.e. the unpredictability of the market price levels) to determine both the direction and strength of the trend being experienced by the top 100 UK equities by market capitalisation.

# How does Navigator work?

The RBS UK Navigator Index is designed to offer the potential for positive returns not only if the trend appears to be positive, but also if the trend appears to be negative. By taking a positive view on the markets and going 'long' in the expectation that markets will rise, or by taking a negative view on the markets and going 'short' in the expectation markets will fall based on the trend, the RBS UK Navigator Index may be able to return a potential positive performance in either case. In addition, 'Dynamic Risk Management' is used to reduce the potential negative effect of high volatility by adjusting the level of exposure within the RBS UK Navigator Index.

## **Averaging**

The performance of the index includes averaging in the final twelve months, recording the index's price level at thirteen points each separated by one month known as the 'averaging dates'. The average of the closing price levels of the RBS UK Navigator Index on the thirteen averaging dates is used to calculate the final level at maturity, rather than solely using the index's price level at the end of the five-year term. The use of averaging may protect against falls in the index's price level in the final months of the account's lifetime, but it may also constrain the performance of the account should the index show consistent positive performance in the last twelve months and the RBS UK Navigator Index price level at maturity is higher than the average index price level across the averaging dates. In this instance, the use of averaging in calculating the final index level may result in a lower return than if a single reading of the index was taken at maturity. If the final level is at or below the initial level no additional return will be paid on your deposit.

# Taking advantage of trending markets

**The concept of a bull or bear market is familiar to many, describing the observation that many markets have tended to follow a cyclical pattern of periods of either rising or falling prices.**

There are many ways to interpret such trends. One such method is using the 'Moving Averages' of an asset, a statistical price analysis method that is commonly used in strategies to indicate whether an asset is in a positive or negative trend.

The RBS UK Navigator Index uses 'Moving Average' trend analysis to predict whether UK equities are likely to be rising or falling in the following month. These indicators aim to determine whether to go 'long' or 'short' and the level of exposure it takes.

By comparing different 'Moving Averages' to the current price level of the underlying UK equities, not only the overall trend but also the strength of that trend can be analysed. A comparison of the twelve month 'Moving Average' is used to analyse overall trends, whilst the three month 'Moving Average' is used to determine the relative strength of that trend.

Every month, the RBS UK Navigator Index monitors the performance of the top 100 UK equities (by market capitalisation) and reassesses its core monthly management strategy.

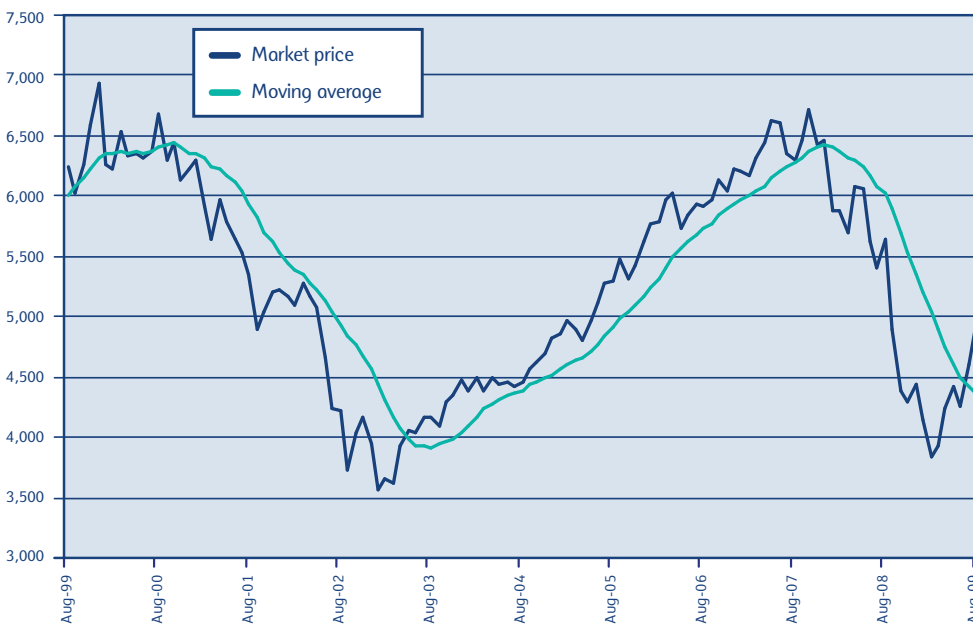
Moving Average (MA) observation	Trend determined	Monthly management strategy
Current price level is above or equal to the 12 month MA, which in turn is below or equal to the 3 month MA	Strong positive	'Long' 125% exposure
Current price level is above or equal to the 12 month MA which in turn is above the 3 month MA	Moderate positive	'Long' 75% exposure
Current price level is below the 12 month MA which in turn is below the 3 month MA	Moderate negative	'Short' 75% exposure
Current price level is below the 12 month MA, which in turn is above or equal to the 3 month MA	Strong negative	'Short' 125% exposure

# Calculating Moving Averages

The twelve month 'Moving Average' is calculated by adding the price levels of underlying UK equities, for that month, and the previous twelve months, as at a monthly observation date, and then dividing that total by the number of observations (13).

To determine the trend, the twelve month 'Moving Average' is compared during the period to the current price level of the underlying UK equities. If the current price level (known as the spot price level) is at or above the twelve month 'Moving Average', this indicates a positive trend (i.e. a potential bull market), whereas if the current price level is below the twelve month 'Moving Average', this indicates a negative trend (i.e. a potential bear market).

## 10 year history of the FTSE 100 Index



Source: RBS Global Banking Markets. August 2009. Please note that historic economic conditions may differ to those that occur in the future. Past performance should not be considered an indication of how the Navigator account may perform in the future.

# Protecting against volatility in markets

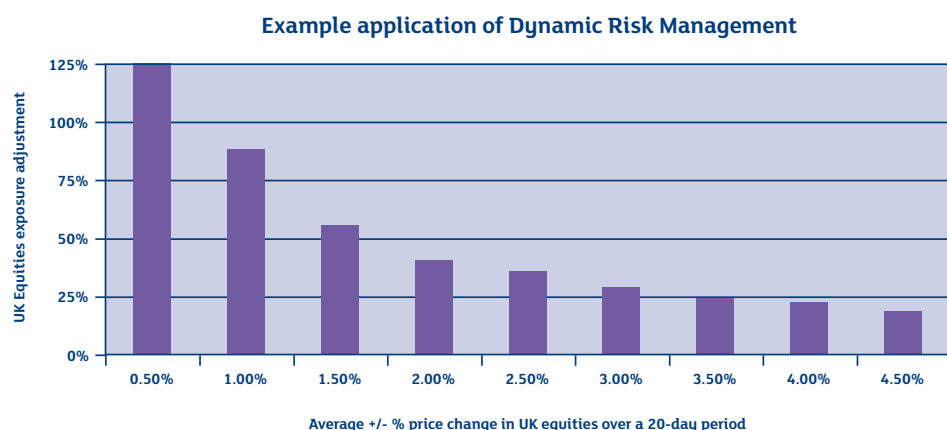
UK equities, like many other investment markets, have seen large swings in their price levels over recent times. Volatility is a term often used to help describe this unpredictability and uncertainty.

Volatility is a mathematical measure of the amount by which the price level of a financial asset changes over a historic period. The greater the magnitude of these price level movements, the higher the level of volatility. Historical trends have shown that, generally, volatility and performance have opposing characteristics: market increases tend to be steady leading to low volatility, while market falls tend to be 'short and sharp' leading to high volatility.

The RBS UK Navigator Index has an automatic feature known as a Dynamic Risk Management tool that aims to protect against some of this volatility by monitoring the amount by which UK equity price levels deviate from their average price level over a 20 day period. As the price level fluctuations (i.e. volatility) of UK equities increase, the Dynamic Risk Management tool will, on a daily basis, automatically lower the RBS UK Navigator Index's exposure to UK equities, and as volatility decreases the tool will increase its exposure. For example, if the average daily price level fluctuations of UK equities over a 20 day period are +/- 0.5% or less, and the RBS UK Navigator Index was showing a strong positive market trend, the Dynamic Risk Management tool would make no adjustment and the exposure to UK equities would be maintained at 125%.

If however during the same strong positive market trend and 20 day period, these daily price level fluctuations increased to +/- 1.5%, the Dynamic Risk Management tool would automatically reduce the RBS UK Navigator Index's exposure to UK equities to 55.55% to constrain the potential impact of an out of trend price level movement. The exposure will be increased back to 125% only when the average price level fluctuations return to the +/- 0.5% range. Both scenarios are illustrated in the example application below.

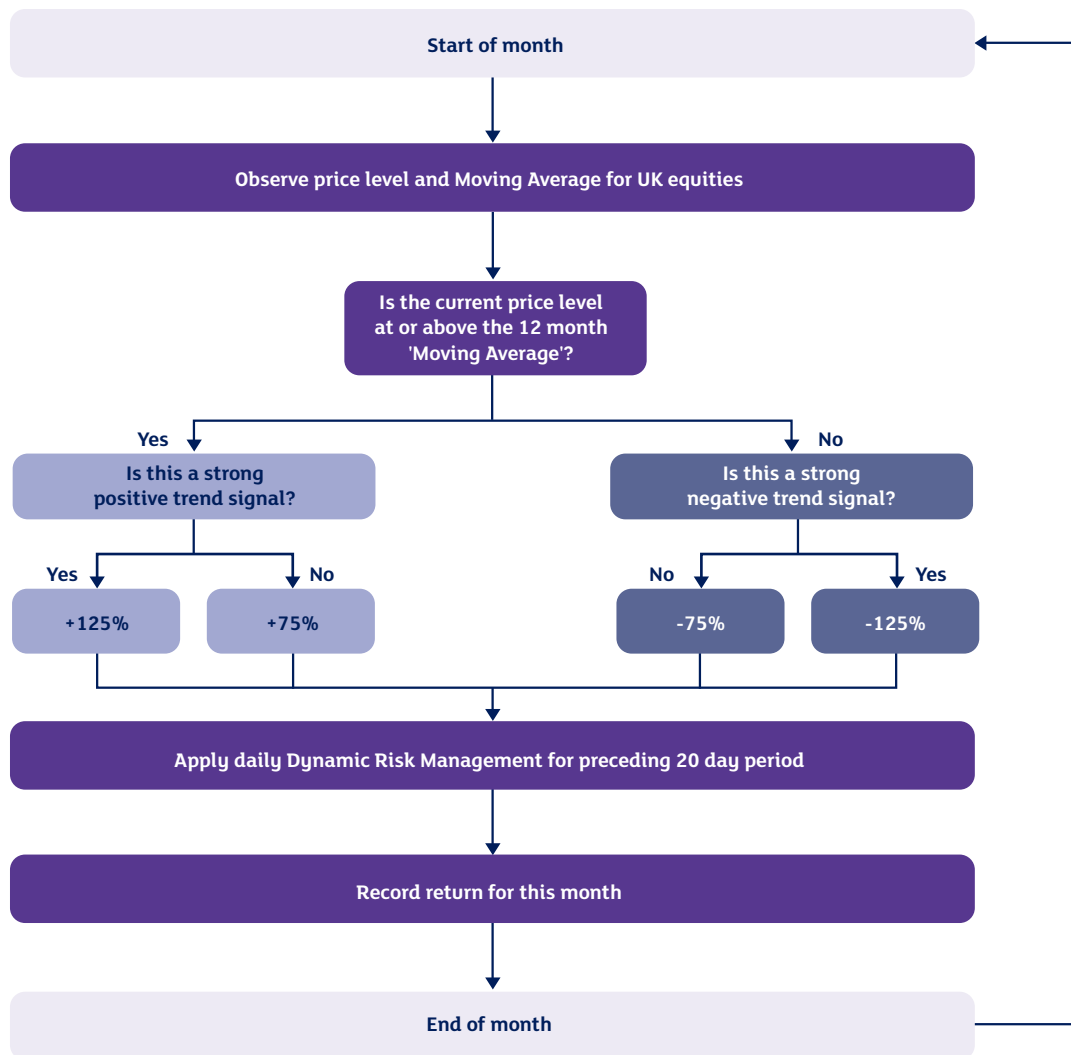
In periods of higher volatility this feature should generally soften the effect of market falls but constrain the benefit of market rises.



Source: RBS Global Banking and Markets.

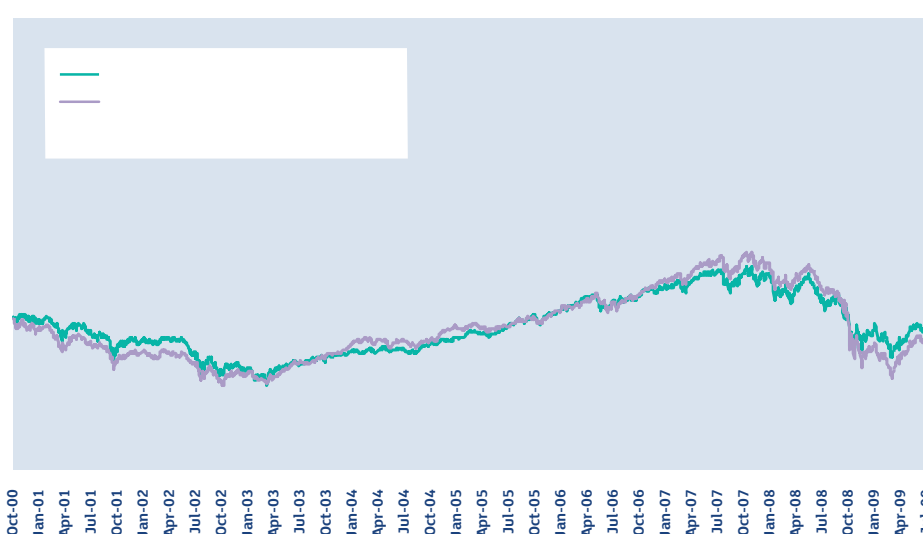
# Trend Analysis

The RBS UK Navigator Index uses 'Moving Average' trend analysis to predict whether UK equities are likely to be rising or falling in the following month, and based on the strength of these indicators it determines whether to be 'long' or 'short', and by how much for the following month. It then applies the Dynamic Risk Management tool to adjust the level of exposure to the Index according to daily volatility.



# Navigator in action - simulated past performance

The following graph illustrates the simulated historical performance of the RBS UK Navigator Index versus the MSCI World Index and the FTSE 100 Total Return Index (includes dividends) since inception of the data on 2nd October 2000.



Source: Bloomberg 15 July 2009. Please note that historic economic conditions may differ to those that occur in the future. Past performance should not be considered an indication of how the Navigator account may perform in the future.

## Do I have to apply by a certain date?

The final date that applications can be accepted is the 12th February 2010. However, the offer may close early if oversubscribed. Please see the table below for other key dates.

Minimum deposit	£10,000
Currency	GBP
Offer period	9th December 2009 - 12th February 2010
Final date for applications	12th February 2010
Final date for funds	25th February 2010
Start date	4th March 2010
Maturity date	6th March 2015

# Navigator

## your questions answered...

### How do I open an Navigator account?

Simply complete the enclosed application form. Your account will be opened once the application has been returned together with the required documentation.

### What is the minimum deposit amount?

The minimum deposit amount is £10,000.

### Can I add to my Navigator deposit?

No. You cannot add to or amend your initial deposit amount after the closing date for applications.

### Can I close the Navigator account early?

The account is designed to have a five-year term and we can only ensure your capital is fully protected if the funds remain in the account for the full term. There is no 'cooling off period', as the account is reliant on financial markets over which we have no control.

A request to close your account prior to maturity will only be permitted at the Bank's discretion and may mean that you receive less than the full amount initially deposited. Should you wish to close your account during the term, you will receive the current redemption value of your deposit less an administrative charge of at least £250. An estimate of the redemption value can be provided upon request and you will be given the opportunity to withdraw your instruction to close the account should you wish to do so. No partial withdrawals can be made from your Navigator account.

### Will I pay any charges?

All costs are already factored into the terms of this account, so there are no additional fees or charges to pay providing you do not close your account before the end of the five-year term.

### Does my Financial Planning Manager receive a commission when I open my account?

If you open a Navigator account through a Financial Planning Manager or Independent Financial Adviser, a fixed percentage commission is payable by us to your adviser. Your Financial Planning Manager or Independent Financial Adviser will supply you with details of this commission upon request.

### What updates will I receive to track the performance of my Navigator account?

You will receive an initial confirmation that your account has been opened. We will then send you annual updates on the performance of your Navigator account. A separate communication will also be forwarded to you approximately six weeks prior to maturity of the account.

### What risks do I need to consider before opening an Navigator account?

It is important that you consider the following before deciding whether Navigator is right for you.

- The Navigator account has a fixed term of five years and is not suitable if you need easy access to your money or require regular income. If you need to close your account before the maturity, you may not receive back the full amount deposited.
- The use of the word 'protected' in relation to this account refers only to our obligation to repay your capital, if held to maturity. Navigator is not guaranteed by any third party.
- Dividends are not payable on the Navigator account.
- Navigator is available in sterling only. There is an exchange rate risk if you deposit funds in a currency that is not your reference currency.
- Although your capital is protected if the account is held until maturity, the return from the Navigator account may not be as much as if you had deposited funds in a traditional deposit account.
- Inflation may have reduced the purchasing power of your deposit by the time the account matures.
- Navigator is available on a limited offer basis and may be closed early if fully subscribed. In this event your original deposit will be returned in full.

# Navigator

## your questions answered...

### What about tax?

- Under current rules our understanding is that any return at maturity from a Navigator account will be paid gross, and will not be subject to either the retention tax deduction or exchange of information with EU tax authorities under the EU Savings Directive. For EU resident customers a retention tax will be deducted from any interest earned before the start date unless you can provide evidence that you are exempt from the measure of the EU Savings Tax Directive. Alternatively you may wish to exchange information with the tax authorities. Any previous instruction provided in respect of any existing accounts held with us will be applied automatically.
- It is your responsibility to declare all income and returns to the appropriate tax authorities. If you are in any doubt as to your own personal tax liability we strongly recommend that you take appropriate independent tax advice before applying.
- The bank is not able to advise on any subsequent changes in legislation that may affect the product or your return from it.

### What happens to my funds between the date my account is opened and the start date of the 5 year term?

Your funds will be placed on deposit until the start date and will earn interest of 0.50% below UK Base Rate. Interest will not be less than 0.50%. Any interest earned prior to the start date will be added to your initial deposit and the total amount deposited into your Navigator account. You must ensure that your Navigator account is funded by 25th February 2010.

### What happens if the RBS UK Navigator Index under performs?

Whatever the performance and the resulting final level of the RBS UK Navigator Index, your deposit is protected providing you hold the account for the full term. There is no certainty that you will receive an additional return on your deposit amount.

### Who can I contact for further information?

If you require any further information, simply contact your financial adviser.

# Navigator – Issue 1

## Terms and Conditions

### 1. Please note

The Navigator account is a form of deposit account with The Royal Bank of Scotland International Limited (RBS International). Accounts are opened and maintained in the Isle of Man.

The use of the word 'protected' in relation to the Navigator account refers only to our obligations to repay your capital in full at maturity. Navigator is not guaranteed by any other party and your rights to repayment on liquidation of the Bank are the same as for any other depositor of the Bank.

### 2. Our dealings with you

Please read these Terms and Conditions carefully and keep a copy of them for future reference. They provide you with important information about your Navigator account and they are the terms of the contract between you and us. When you sign the application form you agree to these Terms and Conditions.

Navigator is administered by RBS International's Strategic Deposit Unit in the Isle of Man, and you will receive correspondence concerning your deposit directly from this centre.

### 3. Definitions

'the Bank', 'we', 'us', 'our' each mean The Royal Bank of Scotland International Limited (RBS International).

'you', 'your' means you, the person(s) in whose name the account is opened.

'account' means the Navigator - Issue 1 account, a structured deposit account opened and maintained in the Isle of Man.

'security details' means the identifying words, codes and/or numbers agreed between you and us that are used in the security procedure and for identification purposes.

'final date for applications' means 12th February 2010, the last date applications can be accepted.

'final date for funds' means the 25th February 2010 the date by which funds must be received.

'start date' means 4th March 2010.

'expiry date' means 4th March 2015, the date the final return will be calculated.

'maturity' means 6th March 2015, the date the initial deposit and any additional return will be repaid. If the expiry date is subject to adjustment the maturity shall be no later than the tenth business day following the expiry date.

'term' means the period between the start date and expiry date inclusive.

'deposit' means the sum deposited prior to the start date together with any interest earned from the date of acceptance to the start date.

'date of acceptance' means the date we are in possession of both cleared funds and any information and documentation that may be required by us. If any of that documentation or information is not received before the offer is withdrawn or fully subscribed, we may be unable to open an account for you and any funds received by the Bank will be returned to you in full without interest.

### 4. Availability

- The account is normally only available to private individuals (aged 18 or over) and trustees of trusts for the benefit of private individuals.
- Applications from other entities may be accepted at the discretion of the Bank and will be subject to different account opening requirements.

### 5. Commission

- If you open a Navigator account through a Financial Planning Manager or Independent Financial Adviser, a fixed percentage commission is payable by us to your adviser. Your Financial Planning Manager or Independent Financial Adviser will supply you with details of this commission upon request.

### 6. Security procedure

- You must keep your security details secret.
- If you suspect someone knows your security details you must contact us immediately. If you fail to do so, you will be liable for any unauthorised transactions on your account confirmed by use of the security details.
- You must take all reasonable precautions to prevent the fraudulent use of your security details.

- You should not record your security details in any way, which may result in them becoming known to another person.
- Where a transaction on the account is confirmed by use of the security details but you subsequently show it was not authorised by you, provided you have kept your security details secret, you will not be liable for that unauthorised transaction.

### 7. Refusal of deposits

- We reserve the right to refuse a deposit, or decline to open an account, or require you to withdraw a deposit without giving a reason for such a decision.

### 8. Operations on the account

- Deposits must be received in sterling (GBP).
- The minimum you may deposit in Navigator is £10,000.
- The account will be opened upon receipt of a valid and correctly completed application form and acceptable supporting documentation.
- This is a limited offer deposit account. Due to the nature of this type of account, the offer may be withdrawn early and without notice if it is fully subscribed. In this event all funds received by the Bank will be returned to you in full without interest. The account is available on a first come, first served basis.
- Joint depositors are jointly and severally liable.
- If two or more people are named as the customer, the Bank will accept instructions signed by any one, or the survivor, of the persons named as the customer.
- You may not add to the deposit during the term, but you may have more than one Navigator account at the same time.
- The Bank will not be liable for any changes in market conditions between the date of acceptance and the start date.
- If any of these conditions are invalid, the rest shall remain valid and binding to the fullest extent permitted by law.
- We will write to you after the start date to confirm acceptance of your account. You will then be sent further updates on an annual basis.
- Once the account has been opened it is not possible to change the name of the account in which the deposit is held, except in the event of the death of a sole account holder. In the event of death of a joint account holder the title of the account would pass to the remaining named surviving party/parties to the account. Further, except in the event of the death of a sole account holder, the customer may not transfer or assign any of the rights under this account.

### 9. Interest prior to the start date

- The deposit will earn interest from the date of acceptance until the start date.
- A deposit will only be accepted by the Bank and begin to earn interest pending the start date when all requirements are met as laid out in the application form.
- Any interest earned prior to the start date will be added to the initial deposit and the total amount deposited in the Navigator account.
- The current rates of interest applicable to deposits held prior to the start date are set out in the literature.
- If you are resident in the European Union a retention tax of 20% will be deducted from any interest earned prior to the start date unless you can provide evidence to show that you are exempt from the measures of the EU Savings Tax Directive. Alternatively you may authorise us to exchange information with the tax authorities. Any previous instruction provided in respect of existing accounts with us will be applied automatically.
- Please note our understanding is that any return at maturity from the Navigator account is not currently subject to this retention tax and under current guidelines will be paid gross. In providing this information we are not acting as tax advisers and we strongly recommend that you seek independent professional advice for your personal circumstances as regards all aspects of this deposit. The Bank is not able to advise on any subsequent changes in legislation that may affect the product or your return from it. It is your responsibility to declare any income and returns to the appropriate tax authorities.

### 10. Early closure of the account

- You understand that once you have submitted your signed application you cannot cancel. There is no 'cooling off period', as the account is reliant on financial markets over which we have no control. However the Bank in its absolute discretion may permit cancellation before the start date or early closure of the account after the start date.
- We will require written confirmation before acting on such instructions and will apply an administrative fee of at least £250 in the event of cancellation or early closure. Please contact the Strategic Deposit Unit direct on 00 44 (0)1624 637127 to understand what information will need to be included within your written confirmation. Partial withdrawals or partial closures of any of the elements within the account are not permitted.
- If you close the account before maturity, the return of the full amount deposited and any minimum return is not guaranteed and will reflect investment conditions prevailing at the time as calculated by The Royal Bank of Scotland plc, Global Banking & Markets, London. The amount returned may be less than your original deposit. For the sake of clarity you cannot close specific elements of the account and any request to close will apply to all remaining elements.
- In the event of the death of a sole account holder, the account may be closed at the current value at the time of closure, or may be transferred to the executor (or administrator) or beneficiary of the deceased's estate for the remainder of the term. If the account is a joint account and one of the account holder(s) dies, only the survivor(s) will be recognised as having any right to the money in the account.
- In the event of death of a sole account holder, it will be necessary for the executor (or administrator) of that person's estate to obtain a grant of probate in the Isle of Man before the Bank pays out any monies on the order of such executor (or administrator).

### 11. Return at maturity

- At maturity of the Navigator account you will receive back a sum equivalent to the greater of the following two amounts:
  - 1) The original sum deposited or;
  - 2) The original sum deposited x (Final Level/Initial Level) where:-Final Level is the averaged level of the Navigator index on the expiry date.  
Initial Level is the level of the Navigator Index on the start date.

### 12. Maturity

- The deposit together with any additional return, will be transferred to a bank account in your name with us at maturity. If you do not have a bank account with us, a bank account will be opened in the same name as your Navigator account. The Bank reserves the right to deduct from the deposit amount any charges or fees incurred in complying with any alternative payment instructions.
- Please bear in mind that inflation may have reduced the purchasing power of your deposit by the time it has matured.
- There is no certainty that the return at maturity will be over and above the original sum deposited.

### 13. Averaging

- The performance of the RBS UK Navigator Index includes averaging in the final twelve months, recording the index's price level at thirteen points each separated by one month known as the 'averaging dates'. The average of the closing price levels of the RBS UK Navigator Index on the thirteen averaging dates is used to calculate the Final Level at maturity, rather than solely using the index's price level at the end of the five-year term. The use of averaging may protect against falls in the index's price level in the final months of the account's lifetime, but it may also constrain the performance of the account should the index show consistent positive performance in the last twelve months and the RBS UK Navigator Index price level at maturity is higher than the average index price level across the averaging dates. In this instance, the use of averaging in calculating the final index level may result in a lower return than if a single reading of the index was taken at maturity. If the final level is at or below the initial level no additional return will be paid on your deposit.

#### 14. Stock market and investment fund disclaimer

- References to particular share indices and investment funds in any Navigator literature are included only to indicate the basis upon which performance is calculated, not to indicate any association between us and the third party index or investment fund provider or endorsement of the Navigator account by the provider.
- The product is not in any way sponsored, sold or promoted by any relevant stock market, relevant index, related exchange, index sponsor or investment fund provider and they make no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the relevant stock market and/or the figure at which the relevant stock market, relevant index, related exchange or investment fund level stands at any particular time on any particular day or otherwise. They shall not be liable (whether in negligence or otherwise) to any person for any error in the relevant stock market, relevant index, related exchange, or relevant investment fund and shall not be under any obligation to advise any person of any error therein.
- Navigator does not invest directly in the underlying quoted companies of the relevant index, or investment fund and therefore Navigator does not receive any dividend payments.

#### 15. Complaints

- If you are not satisfied with any of our products or services, we have a complaints procedure that you can use. A leaflet, giving details of the procedure, is available upon request.

#### 16. Right of set off

- Where at any time during the term of the account the customer owes any amount to the Bank and such amount is not repaid to the Bank by the customer on demand, the Bank shall have an immediately exercisable and inalienable right of set off against the customer's account(s).

#### 17. Alterations and amendments

- Where there is an event beyond the control of the Bank, such as, without limitation: any suspension or limitation on trading on any relevant stock market, related exchange or investment fund; any replacement of a relevant stock market, index sponsor or investment fund; any change in the formula or method of calculation of a relevant stock market or investment fund; any mistake in the calculation of a relevant stock market or investment fund, any failure by the index sponsor or investment fund provider to calculate and/or announce an index or investment fund level on any day; then the Bank reserves the right to make such changes to these Terms and Conditions as it deems fair and appropriate.
- We may alter any of these Terms and Conditions on giving you at least 30 days' prior written notice. This notice will contain the date on which the alteration takes effect.

#### 18. Governing law and jurisdiction

- When you apply for Navigator, your application is sent to our branch in the Isle of Man, where the account is opened and maintained. As a result you are afforded the protection of the Isle of Man Depositors Compensation Scheme contained in the Compensation of Depositors Regulations 2008. Further, the contract between the Bank and you, the customer(s), shall be governed by and construed in accordance with the laws of the Isle of Man
- The courts of the Isle of Man shall have exclusive jurisdiction to settle any disputes which may arise out of, or in connection with, this contract and accordingly any proceedings arising hereunder may be brought in such

court. For the avoidance of doubt the Bank, for its sole benefit, reserves the right to issue proceedings in any other jurisdiction as appropriate or necessary for the protection of its rights hereunder.

- If any of these conditions are invalid, the rest shall remain valid and binding to the fullest extent permitted by law.
- We are not an Authorised Person subject to the rules and regulations made under the UK Financial Services and Markets Act 2000, and therefore deposits made with branches, all of which are outside the UK, are not protected by those rules and regulations covered by the UK Financial Services Compensation Scheme.

#### Your information

##### Who we are

Your account is with The Royal Bank of Scotland International Limited (RBS International). We are a member of The Royal Bank of Scotland Group (the Group). For information about our group of companies, please visit [www.rbs.com](http://www.rbs.com) and click on 'About Us'. The Royal Bank of Scotland International Limited places funds with other parts of its group and thus its financial standing is linked to that of the group. Depositors may wish to form their own view on the financial standing of The Royal Bank of Scotland International Limited and the group based on publicly available information. The latest report and accounts are available at [www.rbs.com/home.ashx](http://www.rbs.com/home.ashx) for The Royal Bank of Scotland Group and [www.rbsinternational.com/](http://www.rbsinternational.com/) for RBS International, or for similar enquiries please telephone 00 44 131 556 8555 or Textphone 0845 900 5960.

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

Your information comprises all the details we hold about you and your transactions, and includes information obtained from third parties. We may use and share your information with other members of the Group to help us and them:

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

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

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

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

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

If you would like a copy of the information we hold about you, please write to your branch. A fee may be payable.

#### Credit reference agencies

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

#### Fraud prevention agencies

If false or inaccurate information is provided and fraud is identified or suspected, details may be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. We and other organisations may also access and use this information to prevent fraud and money laundering, for example when:

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

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

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



The Royal Bank of Scotland International Limited (RBS International). Registered Office: PO Box 64, Royal Bank House, 71 Bath Street, St. Helier, Jersey, JE4 8PJ. Regulated by the Jersey Financial Services Commission.

Guernsey business address: PO Box 62, Royal Bank Place, 1 Gategny Esplanade, St. Peter Port, Guernsey, GY1 4BQ. Regulated by the Guernsey Financial Services Commission and licensed under the Banking Supervision (Bailiwick of Guernsey) Law, 1994, as amended, the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002, and the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended.

Isle of Man business address: Royal Bank House, 2 Victoria Street, Douglas, Isle of Man, IM99 1NJ. Licensed by the Financial Supervision Commission of the Isle of Man to take deposits and carry on investment business and registered with the Insurance and Pensions Authority in respect of general business.

RBS International Isle of Man branch is a member of the Depositors' Compensation Scheme as set out in the Compensation of Depositors Regulations 2008. Further details of the scheme are available on request. Our Structured Deposit Accounts are domiciled in the Isle of Man and therefore have the protection of the Isle of Man Depositors Compensation Scheme.

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