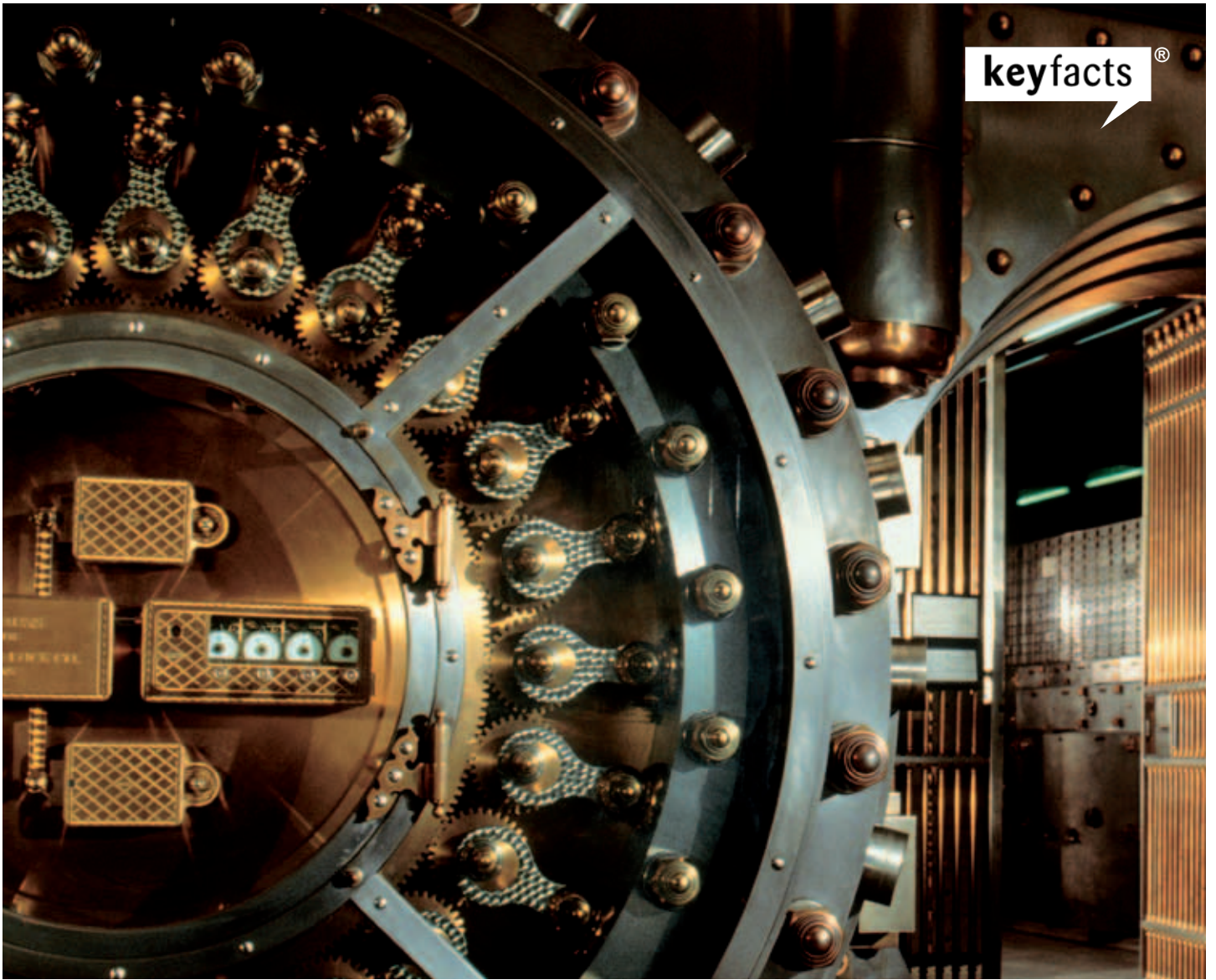


keyfacts®



# Royal Deposit ISA 4

A three year investment offering a fixed annual 3.5% interest payment

Plan/ISA Account Manager



The Royal Deposit ISA 4 is a deposit Plan that has a fixed term of three years. As a deposit, it is designed to pay back your original investment at the end of the term. It also offers a fixed annual interest payment.



#### What is the Royal Deposit ISA 4?

The Royal Deposit ISA 4 is a deposit ISA that has a fixed term of three years. As a deposit, it is designed to pay back your original investment at the end of the term. It also offers a fixed annual interest payment.

#### What does the Royal Deposit ISA 4 offer?

The Royal Deposit ISA 4 (the 'ISA') is designed to offer an annual interest payment of 3.5% paid to your nominated bank or building society account once a year, fixed for three years. Plus, the return of your original investment at the end of the three year term.

**Applications will only be accepted on the basis that a recommendation has been provided by a financial adviser who has considered the suitability of this investment in line with your circumstances.**

#### How does my ISA work?

You give us your money and we open an ISA for you. As we are not a bank or building society, we cannot hold your money on deposit. Therefore, on 2 September 2010 we pass your money to Ulster Bank Limited who hold it, as Deposit Taker, until the end of the three year term. Ulster Bank Limited will pay us your fixed annual interest payments, which we then pass on to you. At the end of the three year term they pass your original investment back to us, which will be made available to you. We will be your ISA Manager and your point of contact.

#### How long should I hold my ISA?

You must hold your ISA for the full three year fixed term to benefit from the stated returns.

#### When will my ISA close?

Your deposit plan will automatically close at the end of three years on 2 September 2013. Your ISA will remain open until we receive your final instructions.

#### Who is the ISA provider?

The Royal Deposit ISA 4 'the ISA' is provided by Legal & General (Portfolio Management Services) Limited, a company authorised and regulated by the Financial Services Authority. As ISA Manager, we're responsible for the management of the ISA and will be your point of contact.

Ulster Bank Limited are the authorised deposit taker, we will pass your money to them on the start date of the ISA. Ulster Bank Limited is a wholly owned subsidiary of The Royal Bank of Scotland plc (RBS).

#### Can I access my money early?

This ISA is designed as a three year fixed term investment. However, if your situation changes, you can get your money out early. If you do, you could get back less than you originally invested. It depends on the current value as determined by Ulster Bank Limited. If you do take some of your money out this will affect what you get back at the end of the fixed term.

#### Is my money safe?

Once your money is held by Ulster Bank Limited it is protected in the same way as it is with any other bank or building society account. See page 9 for important information about how your money is held.

You may lose some or all of your money if Ulster Bank Limited or the bank or building society that provides our client bank account is unable to pay back your money. Legal & General is not responsible to you if these firms do not pay what they owe.

In these circumstances you may be entitled to compensation from the Financial Services Compensation Scheme (FSCS). See page 9 for more information about the FSCS.

## Key Features of the Royal Deposit ISA 4

The Financial Services Authority is the independent financial services regulator. It requires us, Legal & General, to give you this important information to help you decide whether our Royal Deposit ISA 4 is right for you. You should read this document carefully together with the terms and conditions so that you understand what you are buying, and then keep it safe for future reference.

The Royal Deposit ISA 4 is designed to offer an annual interest payment of 3.5% gross/AER and the return of your original investment at the end of the three year term.

The annual payments will be made into the account details you provide on the following dates:

- 2 September 2011
- 3 September 2012
- 2 September 2013

You will earn pre investment interest at a fixed rate equivalent to 0.87% gross/AER from the date your payment is treated as cleared until 26 August 2010. This interest will be included in your total investment amount.

The gross rate of interest is the rate payable before the deduction of tax. AER stands for Annual Equivalent Rate. It shows what the interest rate would be if it was paid once each year. This lets you compare interest rates across different accounts and what return you can expect from your savings over time. Every advertisement for a savings product, that quotes an interest rate will contain an AER.

### Is the Royal Deposit ISA 4 right for me?

#### This ISA may be right for you if you are looking for:

- your money to be invested for a fixed term of three years;
- a tax free investment;
- a fixed interest rate paid annually; and
- a deposit based ISA (and you have other money set aside for short-term needs/emergencies and any debts you may have).

#### The ISA may not be suitable if you are looking for:

- access to your money during the fixed term;
- a way to set aside money for emergencies or to cover any debts; and/or
- a deposit based investment linked to a stock market index, for example, the FTSE 100 Index.



### ISA term and important dates

**Offer available:**

14 June to 13 August 2010

**Start date:**

2 September 2010

**End of fixed term:**

2 September 2013

**ISA application deadline:**

13 August 2010

**ISA transfer deadline :**

30 July 2010

**Income payment dates:**

2 September 2011

3 September 2012

2 September 2013

### How is the ISA return achieved?

You'll receive an annual interest payment of 3.5% every year for three years, provided you hold the ISA for the full fixed term.

The following table shows what you should get back from a £3,600 investment held until the end of the fixed term. These figures do not take into account any pre-investment interest.

Original investment	Annual interest payments*	Total amount received (interest payments and original investment)*
£3,600	£126.00	£3,978.00

*\*All information is based on our understanding of current taxation in the United Kingdom, which may be subject to statutory change.*

### Who is Ulster Bank Limited (The Deposit Taker)?

From the start date to the end of the fixed term your money will not be invested with Legal & General. It will be passed to Ulster Bank Limited, an authorised Deposit Taker.

Ulster Bank Group is a wholly owned subsidiary of The Royal Bank of Scotland plc (RBS). Ulster Bank Group is expected to remain a fully integrated yet independent subsidiary of RBS.

Ulster Bank Limited has been rated 'A' (long term) by Standard & Poor's (at the time of publication of this brochure). This A rating is given to institutions considered to have a strong capacity to meet its financial commitments. See page 10 for more information on Standard & Poor's and credit ratings.

### What charges and expenses will I have to pay?

There are no charges for you to pay out of your investment. The cost of providing the stated returns for this ISA are taken into account when setting those returns.

### How will inflation affect the value of my ISA?

Unless the stated return on your ISA meets or exceeds the rate of inflation, the real value of your investment will reduce.

### How does the pre-investment interest work?

Any pre-investment interest will be paid gross and we will include it with your original investment. Following receipt of your application, payments by debit card will be treated as cleared after four business days and by cheque after one business day.

### How much can I put in the ISA?

For the 2010/2011 tax year

- The minimum you can invest is £3,600.
- The maximum you can invest is £5,100.

ISA transfers

- The minimum you can invest is £3,600.
- There is no maximum you can invest.

## Important information

### Your questions answered

We are the ISA Manager for a range of fixed term deposits known as Legal & General Deposit Bonds. The Royal Deposit ISA 4 is part of this range.

Where we refer to Legal & General Deposit Bond ISA in this brochure we are referring to features which are the same in each plan in the range. Where we refer to The Royal Deposit ISA 4 we are covering a feature specific to this ISA.

#### Why choose Legal & General?

The Legal & General Group, established in 1836, is one of the UK's leading financial services companies. As at 31 December 2009, we were responsible for investing £334 billion worldwide on behalf of investors, policyholders and shareholders. We also had over 7 million customers in the UK for our life assurance, pensions, investments and general insurance plans.

#### What are the risk factors?

- If you have to take out some or all of your money before the end of the fixed term, you may receive back less than you originally invested and you will lose any unpaid interest payments.
- If the Deposit Taker is unable to pay us what they owe, you could lose some or all of your money and any returns due.
- Unless the performance of your ISA meets or exceeds the rate of inflation, the real value of your ISA will reduce.
- The favourable tax situation of ISAs may not be maintained.

#### Using your ISA allowance

There are two types of ISA, a cash ISA and a stocks and shares ISA.

#### 2010/2011 tax year

The maximum investment for a cash ISA is £5,100 and £10,200 in a stocks and shares ISA. These can be held with the same or different managers. This product is only available as a cash ISA. The total ISA limit for any tax year is £10,200, but please note that this maximum includes any amount you may hold in a cash ISA.

#### ISA transfers to Legal & General

If you wish to transfer your current or a previous tax year cash ISA to Legal & General, the minimum transfer amount is £3,600. You'll need to complete the relevant section of the application form. Remember, if you are transferring a cash ISA taken out in the current tax year, you must transfer your whole ISA investment.

Once we have received your transfer form, we'll send it to your existing manager who will take it as authority to cash in your investment according to their Terms and Conditions. They will then send the transfer proceeds directly to Legal & General for investment. Your existing manager may charge an exit fee or penalty.

Please note that transfer applications must be received two weeks prior to the end of the offer period of the relevant issue.



#### How to apply

To invest in this ISA, please complete the application form provided, submitting via post to Legal & General (Legal & General Retail Investments, Customer Services, PO Box 1004, Cardiff, CF24 0YS) by 5pm on the deadline date. You can also apply with a Maestro or Visa Debit card by telephone (0307 050 3350). Applications will only be accepted by telephone if a recommendation has been provided by a financial adviser who has considered the suitability of this investment in line with your circumstances.

All applications must be received by us before the date on the top of the application form.

### Can I cash in my ISA before the end of the fixed term?

If your situation changes, you can get your money out early. However, if you do, you could get back less than you originally invested. It depends on the current value determined by the Deposit Taker.

If you do need to take out some or all of your money, you should contact us by the 7th or 20th of each month. Our contact details are towards the end of the brochure. You will receive payment within five working days of these dates. You can take out £500 or more, but you must leave at least £500 to keep your ISA open. You can, of course, take all of your money and close your ISA.

### ISA transfers from Legal & General

If you wish to transfer your cash ISA from Legal & General to another manager, we'll need notification from them in writing. On receipt of their notification, your investment held within your ISA will be cashed in and the cash value will be transferred to your new manager.

Please note, if the request to transfer is received by Legal & General before the end of the fixed term, it will be subject to the conditions as described in 'Can I cash in my ISA before the end of the fixed term?'

If you have invested in your cash ISA in the same tax year in which to transfer your account, you must transfer the entire cash ISA holding.

You'll not benefit from any returns while the transfer is pending.

### Who can invest?

- You must be aged 18 years or over to apply
- ISAs must be held in your name only
- This ISA is not available to US residents.

### What is the relationship between Legal & General and the Deposit Taker?

Legal & General (Portfolio Management Services) Limited is the ISA Manager for the Deposit Bond ISA.

We do not hold your money but will pass it to the Deposit Taker. We will be your ISA Manager and point of contact.

### What documentation will I receive?

Within six days of our receipt of your application we will send you a welcome letter and a notice giving you the right to cancel the ISA.

On the start date of the issue, an opening statement will be sent to you giving you details of your ISA. Every twelve months we will send you a statement (detailing all transactions made since the last statement) and a confirmation of your holding.

### How will charges and expenses affect my ISA?

There are no charges for you to pay out of your investment. The cost of providing the stated returns for this ISA are taken into account in calculating those returns.

### What happens if I want to cancel?

You will receive notice of your right to cancel your ISA, as required by law, and you will then have 14 days in which you can change your mind. You can cancel your ISA by simply returning your completed cancellation notice form and you will have your investment returned with any interest earned. See the 'Contacts' section on page 11.

If you do not exercise your cancellation rights within the 14 day cancellation period then:

- you'll remain invested in your chosen Legal & General Deposit Bond ISA;
- you will be subject to all the risks as detailed in these Key Features;
- you forfeit your right to contribute to any other cash ISA with another manager for the tax year that you make this investment; and
- you'll not be able to replace any contribution withdrawn within the same tax year, unless the amount you wish to invest is within your unused ISA allowance

### What happens to my ISA if I die?

As your investment is within an ISA, the ISA will automatically terminate. When we receive proof of death and all other documentation needed to make a payment we will either:

- a) repay the current value and any applicable interest, to your personal representatives under the ISA rules; or
- b) transfer the holding, outside an ISA, to a named beneficiary(ies), to continue the investment until the end of the fixed term. If this option is chosen, your beneficiaries will receive, and must agree to, the relevant Terms and Conditions.

If you die before the end of the term, and the holding is not retained until that date, your personal representatives may get back less than the original investment, dependent on the current value as determined by the deposit taker. If you have taken any money out, the amount paid will be reduced accordingly.

### What happens at the end of the fixed term?

At the end of the fixed term the Deposit Taker will pay Legal & General the original investment plus any applicable returns, within two working days. Around the end of the fixed term, we will write to you outlining the options available to you. You will retain your ISA status whilst we are waiting for your instructions. Once we have received your instructions, we will endeavour to fulfil your request within five working days from the end of the fixed term or from receipt of your instructions, if later. We will hold the proceeds of your deposit ISA in an interest-bearing client account for a reasonable period until we receive your instructions. All interest earned will belong to you. The interest will be paid gross. If we do not hear from you within a reasonable time, we will return the proceeds of your deposit ISA to your nominated bank or building society account.

### What's my tax liability?

The following tax assumptions are based on our understanding of current taxation in the UK and are subject to change. The value of tax advantages will depend on your individual circumstances and where your money is invested. If you need tax or legal advice, please contact a tax or legal specialist.

Under current legislation, all cash ISA investments are free of tax. Therefore, any interest will be paid tax free.

If you are an investor residing abroad, depending on your residency status, you may be liable to pay tax in a country outside the UK. If so, you may be liable to tax on any income or capital gains. If you need advice, you should consult a suitable tax adviser or the tax authorities in the country concerned. Please remember, you must be resident and ordinarily resident in the UK for tax purposes to subscribe to an ISA.

### How much will any advice cost?

Legal & General will pay your adviser for any new investment. Your adviser will give you details of the amount that Legal & General will pay them. The amount will depend on the size of your investment. The amount of commission payable will be up to 1.0% of the amount you invested. This cost is already taken into account in calculating the returns stated at the beginning of this brochure.

### How do you support advisers?

We provide intermediary firms and advisers with additional benefits which are designed to enhance the quality of their service to you.

These benefits may include some or all of the following: training, software, seminars and marketing materials. Further details of any benefits received from us are available on request from your intermediary firm/adviser.

### What if I've any doubt about the suitability of this ISA or require personal advice?

This brochure does not provide personal advice or recommendations. It is important that you only invest in this product if it meets your needs. It will only be suitable if you are prepared to invest your money for a fixed period of time. You should have separate money set aside for emergencies. You must ensure that you have carefully considered the taxation that applies to investments of this type before investing. Please refer to the beginning of this brochure for further details on the current issue.

If you are unsure of the suitability of this ISA for your needs, please contact your financial adviser for advice.

### What is my customer category?

We are required by our regulator (the Financial Services Authority) to categorise our customers to determine the level of investor protection they receive. If you buy products from this brochure you will be treated as a retail client, unless we agree otherwise.

You can choose to be categorised as a professional client or an eligible counterparty, but this means you receive less information about our products and services. Also, you would not be entitled to receive a suitability report or appropriateness assessment where these would be required for retail clients.

If you are a professional client or eligible counterparty you can ask to be categorised as a retail client, although this does not necessarily mean you can refer any complaints to the Financial Ombudsman Service.

### Why do I need to prove my identity?

To protect you and us from financial crime, we may need to confirm your identity from time to time. We may do this by using reference agencies to search sources of information about you (an identity search). This will not affect your credit rating. If this identity search fails, we may ask you for documents to confirm your identity.

In certain circumstances, we may need to contact you to obtain more information regarding your investment.

### Maximum offer period

Legal & General (Portfolio Management Services) Limited may, in exceptional circumstances, close an issue early. This may occur if too little money is received to make the issue viable or because the issue has been over subscribed. If your application is not accepted then your investment will be returned in full.

### Complaints

If you wish to complain about any aspect of the service you receive from Legal & General, or would like us to send you a copy of our internal complaints handling procedure, please contact us. See the 'Contacts' section on page 11.

Should you feel that your complaint is not dealt with to your satisfaction, you may be entitled to take the matter up with:

The Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London E14 9SR

Making a complaint will not prejudice your right to take legal proceedings.

## Where will my money be held and how secure is it?

### During the fixed term:

Your money is held on deposit by Ulster Bank Limited and is protected in the same way as it is with any other bank or building society account that you have. Ulster Bank Limited is legally bound to pay your money back to us at the end of the fixed term (together with the returns due under your ISA). If Ulster Bank Limited cannot pay us what they owe, you may not receive all of your money back. We are not responsible to you if Ulster Bank Limited does not pay your money back together with any returns due under your ISA.

### Before and after the fixed term:

Before we pass your money to Ulster Bank Limited we hold your money in a client bank account separate from our own money. Once we get your money back from Ulster Bank Limited at the end of the fixed term, we hold it in the same way. Because we hold this money separate from our own money, if Legal & General were to become insolvent your money would be safe. However, if the bank or building society that provides this client account cannot pay us that money you may not receive all of your money back. We are not responsible to you if the bank or building society that provides this client bank account does not pay this money back.

If either Ulster Bank Limited or the bank or building society providing the client bank account is unable to pay your money back, you may be entitled to compensation from the Financial Services Compensation Scheme ("FSCS"). Please see the 'Compensation' section for more information.

## Compensation

The Financial Services Compensation Scheme (FSCS) is designed to pay customers compensation if they lose money because a firm is unable to pay what they owe for any reason. Most depositors, including individuals and small businesses, are covered by the FSCS.

Your ability to claim from the FSCS and the amount you may be entitled to will depend on the specific circumstances of your claim.

Ulster Bank Limited is a member of the FSCS and so, if Ulster Bank Limited is unable to pay back your money for any reason, for example becoming insolvent, you may be able to claim compensation for any loss you have suffered.

The FSCS covers the first £50,000 each customer holds with each bank or building society.

This means that any money you have in other accounts with Ulster Bank Limited as well as any money you hold in this ISA would count towards the £50,000 limit. If you have £50,000 or less in total with Ulster Bank Limited, including the money you have put in this ISA, you should get back all of your money. If you have more than £50,000 in total held with Ulster Bank Limited, you may lose some or all of the money you hold in this ISA.

You may also be able to claim compensation for any loss you suffer in the event that the bank or building society which provides our client bank account is unable to pay back your money while it is held there before or after the fixed term. Any claim would again be limited to the first £50,000 you hold with that bank or building society and so any money you have in other accounts you hold with that bank or building society would count towards this limit.

The rules of the FSCS may change and the FSCS may take a different approach on the application of these rules to a particular bank or building society depending on the circumstances of the failure of that bank or building society to pay back what it owes.

You can find out more about the FSCS (including amounts and eligibility to claim) by visiting its website [www.FSCS.org.uk](http://www.FSCS.org.uk) or calling 0800 678 1100.

### **ISA Manager and Deposit Taker**

#### **ISA Manager**

Legal & General (Portfolio Management Services) Limited  
Registered office:  
One Coleman Street, London EC2R 5AA

Registered in England No. 2457525.

Legal & General (Portfolio Management Services) Limited is authorised and regulated by the Financial Services Authority (FSA). We are on their register under the following number: Legal & General (Portfolio Management Services) Limited 146786.

You can check this at [www.fsa.gov.uk](http://www.fsa.gov.uk) or by contacting them on 0300 500 5000.

#### **Deposit Taker**

Ulster Bank Limited  
11-16 Donegall Square East,  
Belfast BT1 5UB, Northern Ireland

Registered in Northern Ireland No. R0000733

Ulster Bank Limited is authorised and regulated by the Financial Services Authority (FSA). Ulster Bank are on their register under the following number: Ulster Bank Limited: 122315.

You can check this at [www.fsa.gov.uk](http://www.fsa.gov.uk) or by contacting them on 0300 500 5000.

For further details on the Royal Bank of Scotland Group plc financial performance and shareholder information please visit [www.investors.rbs.com](http://www.investors.rbs.com)

#### **Regulator**

Financial Services Authority  
25 The North Colonnade  
Canary Wharf, London E14 5HS

#### **Marketing Agent**

SIP Nordic UK Limited  
6 Old Lodge Place  
St Margaret's, Twickenham TW1 1RQ  
Telephone 0845 680 9125, [www.sipnordic.co.uk](http://www.sipnordic.co.uk), [email@sipnordic.co.uk](mailto:email@sipnordic.co.uk)

#### **Standard & Poor's**

Standard & Poor's is an independent ratings body that uses its own research and analysis to provide a credit rating for an issuer of securities.

The Standard & Poor's credit rating is their current opinion of an institution's overall financial capacity (its creditworthiness) to pay its financial obligations. This rating could change in the future and is not guaranteed. Credit ratings start from 'AAA' which is the highest rating assigned by Standard & Poor's and finishes with 'D', the lowest rating. The rating 'A' means the institution's capacity to meet its financial commitment on the obligation is strong.

The credit rating is not a recommendation to purchase, sell, or hold a financial obligation, as it does not comment on market price or suitability for a particular investor. It also does not provide assurance that the institution cannot fail.

## Contacts

You can call us on the telephone number below for general information, buying or queries about your Plan.

### Customer Services: 0370 050 3350

Lines are open Monday to Friday 8.30am to 6.00pm. We may record and monitor calls. Calls to this number will not exceed your fixed line or mobile phone provider's national rate and will be included in any inclusive free minute plan or discount scheme you may have with your telephone provider. Call charges will vary between telephone providers. This number may not be available from outside the UK.

You can write to us at this address if you wish to obtain information, give us instructions or have any queries or complaints.

Legal & General Retail Investments  
Customer Services  
PO Box 1004  
Cardiff CF24 0YS

The terms and conditions, which are governed by English law, shall apply as soon as an application is accepted. In the event of any conflict between the FSA regulations and the terms and conditions, the former will prevail. The terms and conditions and all communications will only be available in English. All communications from us will normally be by letter or telephone.

## Giving notice

Legal & General shall not be bound to act in accordance with the instructions of anyone other than you or your personal representatives.

Any notice given to Legal & General by you must be in writing (or any other method deemed acceptable by Legal & General) and should be sent to, and will only become effective on receipt at, one of the following:

Legal & General Retail Investments	Or	Legal & General Retail Investments
Customer Services		Customer Services
PO Box 1004		2 Fitzalan Road
Cardiff CF24 0YS		Brunel House
		Cardiff CF24 0EB

or such other address of which you may be notified after acceptance.

Legal & General will acknowledge such notice and comply with it except where we believe that compliance would be impracticable or contrary to any law or rule or regulation.



**To find out more about the Royal Deposit ISA 4,**  
IFAs may call **+44 (0) 845 680 9125. Private investors should contact their IFA.**

