



The Autopilot Plan 4

The Plan will invest in securities issued by The Royal Bank of Scotland plc

Plan/ISA Account Manager



The Autopilot Plan 4

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You must read the whole of this brochure, including the terms and conditions, before applying. If there is anything you don't understand, you should speak to your adviser.

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.

Who is the Plan provider?

The Autopilot Plan 4 'the Plan' is provided by Legal & General (Portfolio Management Services) Limited, a company authorised and regulated by the Financial Services Authority. As Plan Manager, we're responsible for the management of the Plan. An investment in the Plan would be a contractual agreement with us to purchase securities from The Royal Bank of Scotland plc (RBS) and ensure they are held on your behalf. If you have any queries about your investment you should contact us.

In addition to this brochure, further information on the type of securities RBS issue including those held in this Plan is available in the RBS Prospectus. The Prospectus contains the full information and contractual terms for the securities. If you, or your adviser, would like to review the Prospectus before investing, an electronic copy is available on request from RBS or us (see 'contacts' on page 16).



What is the Autopilot Plan 4?

The Autopilot Plan 4 is a five and a half year investment, providing the possibility of growth on your money. Whether or not you receive any growth is dependent on the level of the RBS UK Autopilot Index ('the Index') at the end of the five and a half year term. You'll receive 100% of any rise in the RBS UK Autopilot Index, plus the return of your original investment, if you hold the Plan until maturity. If the Index has fallen, you'll only get back your original investment.

Please see 'How is the RBS UK Autopilot Index performance measured for my Plan?' on page 4 for further details.

To invest in the Autopilot Plan 4 you must be prepared to tie your money up for five and a half years. If you think that you might need your money during the five and a half year term, this Plan will not be suitable for you.

When you invest in the Plan, we'll use your money to buy securities, with a fixed maturity date, issued by RBS.



Could I lose my money?

The Plan offers capital protection at the end of five and a half years. The investment is designed to return your original investment at the end of the five and a half year term.

However, you could still lose some or all of your original investment if RBS does not pay us back the original capital. This might happen if RBS becomes insolvent and was unable to repay us this money. Therefore it's important to remember that although your capital is protected, it's not guaranteed.

How is the investment return achieved?

When you invest in the Plan, we'll use your money to buy securities, with a fixed maturity date, issued by RBS. These securities, which will consist of notes or warrants, are essentially a type of loan to a company. The company that issues the securities agrees how much they will pay back and when. The terms of the securities have been designed to give you the investment return stated in this brochure at the end of the five and a half years. These securities will be held on your behalf until the end of the Plan.

You should Plan to hold your investment for the full five and a half year term, however, you can choose to withdraw some or all of your investment at any time during this term, although you might get back substantially less than you invested.

What returns could I get at the end of five and a half years?

The following table, based on a £10,000 investment, shows what you might get back at the end of the five and a half year term.

These figures are examples only and changes in the Index level have been chosen to show what you could get back from the Plan. What you will get back depends on the final level of the Index, subject to averaging and assumes no withdrawals have been made. You could get back less than these example returns.

Original investment	Percentage change in RBS UK Autopilot Index	Total amount that you get back after five and a half years
£10,000	+25%	£12,500
£10,000	+10%	£11,000
£10,000	0%	£10,000
£10,000	-10%	£10,000
£10,000	-25%	£10,000

The above table only applies if you hold your investment for the full five and a half years. Investments held in an ISA are tax-free. Returns outside an ISA maybe subject to capital gains tax where applicable. See 'What's my tax liability?' on page 12.

Averaging is used over the final twelve months of the investment. This will reduce your exposure to the ups and downs of the Index. If the Index were to rise during the last year, this will reduce the potential returns. Please see below for more details on averaging.

How is the RBS UK Autopilot Index performance measured for my Plan?

To work out if there's been any growth at the end of the five and a half year term we'll use the level of the Index on 1 September 2010. This gives us the starting level.

We'll then compare it with the average level of the Index in the last twelve months of the investment period. We'll work out the average by recording the closing level of the Index on the 1st of each month (If not a business day, for any of the markets within the Index, we'll use the level on the next available business day), from 2 March 2015 to 1 March 2016. This is known as the averaging period.

Averaging will reduce your exposure to the ups and downs of the Index. If the Index were to rise during the last twelve months, this will reduce the potential returns.

Remember your money is not invested in the RBS UK Autopilot Index, but is used to buy securities from RBS as described in 'How is the investment return achieved?' above.

For further details on how the Index works, and where you can find the current level of the Index, please see 'What is the RBS UK Autopilot Index?' on page 9.

When will my Plan close?

Your Plan will close at the end of the five and a half years, on 1 March 2016.

Can I access my money early?

You must be prepared to keep your money invested for the full five and a half years. However, you can ask to withdraw your money at any time although you should be aware that:

- you might get back substantially less than you originally invested. This will depend on the current value determined by the issuer of the securities (RBS).

Is the Autopilot Plan 4 right for me?

This Plan may be right for you if:

- you're happy to hold your investment for the full five and a half years.
- you're looking for the potential to receive a return after five and a half years that's dependent on the performance of the RBS UK Autopilot Index.
- you want to know your original capital is protected (not guaranteed), at the end of the five and a half years.
- you understand that you'll be invested in securities issued by RBS only.
- you've got money set aside for emergencies.
- you're using it as part of a diversified investment portfolio.
- you want a tax efficient investment within an ISA or your pension plan.
- you've got a minimum of £3,600 to invest.

This Plan may be not right for you if:

- you're looking for an investment that doesn't limit the growth you'll receive.
- you require an income.
- you don't want an investment dependent on the performance of the RBS UK Autopilot Index.
- you're not sure how the investment or the Index works and have not understood the contents of this brochure.
- you can't remain invested for the full five and a half year investment term and may need immediate access to your money.
- you have no money set aside for emergencies.
- you want to add to your investment on a regular basis.
- you're worried that if the performance of your investment doesn't meet or exceed the rate of inflation the real value of your investment will reduce.

How is my Plan's return determined?

Your investment growth is dependent on the performance of the RBS UK Autopilot Index. Therefore your Plan is designed not only to benefit from the growth potential from a range of up to four different market sectors but help protect any returns if a market sector is in a falling trend.



What charges and expenses will I have to pay?

If you hold your investment for the full term, there are no charges for you to pay directly as they are already taken into account in the terms of your Plan. These charges won't exceed 4.0%, of your initial investment.

There will be no further charges or fees during the term, unless this occurs as a result of significant tax or regulatory change.

How will inflation affect the value of my investment?

Unless the performance of your investment meets or exceeds the rate of inflation, the real value of your investment will go down.

Will I earn any interest when I invest before the securities are bought?

When you invest, we'll deposit your investment in a client money account, where, as long as the pre-investment interest rate is above 0%, you'll earn interest from the date your payment is treated as cleared until 26 August 2010. The current rate of pre-investment interest is 0.87% gross/AER.

Any interest earned 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.

Investment term and important dates

Offer available:

14 June to 13 August 2010

ISA transfer deadline:

30 July 2010

ISA investment deadline:

13 August 2010

Direct investment deadline:

13 August 2010

Start date of investment:

1 September 2010

End of fixed term (maturity):

1 March 2016

Maturity payment date of the Plan:

8 March 2016

How much can I invest?

You can hold the Plan as a stocks and shares ISA and transfer any existing ISAs you have into it. You can also invest outside an ISA as a direct investment or within a pension plan such as a SIPP or SSAS. The minimum and maximum amounts you can invest are:

Investment type	Minimum	Maximum
Stocks and shares ISA 2010/2011	£3,600	£10,200*
ISA transfers	£3,600	No maximum
Direct investment	£3,600	No maximum
SIPP and SSAS	£3,600	No maximum†

* Provided you haven't already used your ISA allowance for this tax year.

† Subject to any limits in your SIPP or SSAS.

Important information

Your questions answered

Who are the parties to the Plan?

Who is the Plan Manager and who is the ISA Manager?

Legal & General (Portfolio Management Services) Limited is the ISA and Plan Manager for your investment. As the ISA and Plan Manager, we issue and approve the Plan and are responsible for the management of the Plan. This means that we'll contact you once you've invested and send you statements, annually, throughout the life of your investment. If you want to close your Plan, get a valuation or have any questions about the servicing of your investment, you should contact us (see 'Contacts' at the end of this section).

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.

Who is the underlying securities provider?

The Royal Bank of Scotland plc (RBS) is the underlying securities provider, which means they issue the securities that are designed to give you the returns stated in this brochure. An investment in the Plan is a contractual agreement that we, Legal & General (Portfolio Management Services) Limited, will buy the securities from RBS and ensure they are held on your behalf until the end of the fixed term.

RBS has been rated 'A+' (long term) by Standard & Poor's (at the time of publication of this brochure). The securities however, aren't individually rated. See page 15 for more information on Standard & Poor's.

Why choose RBS?

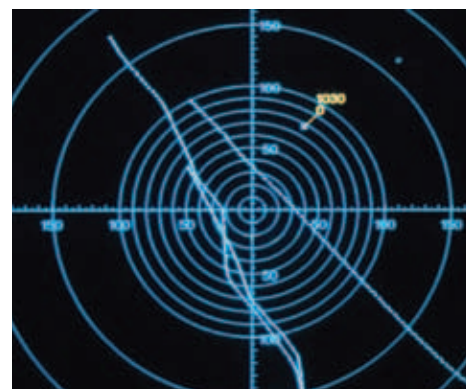
RBS is a key player in international financial markets, with a complete set of services in retail and corporate banking, financial markets, consumer, insurance, asset management and other finance-related activities.

What returns could I receive?

The specific details of your return can be found at the beginning of this brochure. Further information can be found in the Prospectus. This is available on request from RBS or us, see 'Contacts' at the end of this section. You should be prepared to hold your investment for the full fixed term.

What are the risk factors?

- You could lose some or all of your original investment and any growth if RBS does not pay us. This might happen if RBS became insolvent and was unable to repay us this money.
- If you cash in your Plan before the end of the fixed term, you may get back substantially less than you originally invested.
- RBS as issuer of the securities may withhold, defer, reduce or even terminate payments in certain events under the terms of the securities. As a result of this you may get back less than you would otherwise or may have to wait for the proceeds. Please see point 14, 'Extraordinary Circumstances, Adjustments and Disruption' and point 15 'Issuer and other Risks', on pages 20 and 21.
- Unless the performance of your investment meets or exceeds the rate of inflation, the real value of your investment will go down.
- You're not guaranteed any growth, as any growth will depend on the performance of the RBS UK Autopilot Index.
- The Plan is not the same as a bank or building society account or instant access accounts where capital is readily available without penalty.
- If you use your right to cancel your Plan within the first 14 days you may get back less than the amount you've paid in and you may lose your ISA entitlement for the current tax year. Please refer to 'What happens if I change my mind?' on page 11.
- Tax rules may change.



How do I make an investment?

You can invest in a stocks and shares ISA and/or as a direct investment within the Plan. You can also transfer any existing ISAs you hold. You can also hold the Plan within a pension plan such as a SIPP or SSAS.

Using your ISA allowance

You can invest in this Plan within a tax efficient stocks and shares ISA. Any growth you receive will be tax free if held in an ISA.

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

For the 2010/2011 tax year

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

ISA transfers

You can transfer any existing ISAs you hold into this Plan. You have to transfer a minimum of £3,600 but there's no maximum amount. We don't make a charge for receiving such transfers; however, you should check whether your existing manager will make a charge when you transfer.

Your existing manager will cash in your investment according to their terms and conditions and send the transfer value directly to us for investment. We must receive the funds before the end of the offer period. If this date is missed, we'll return the funds to your existing manager. You won't benefit from any rise in the market generally while your transfer is being processed.

You can transfer from a cash ISA to a stocks and shares ISA but not from a stocks and shares ISA into a cash ISA. If you start a cash ISA and transfer to a stocks and shares ISA in the same tax year, any amount you've contributed will count towards your stocks and shares allowance rather than your cash allowance.

If you're transferring an ISA taken out in the current tax year, you must transfer your whole ISA investment.

Direct investment in the Plan

If you've used up your ISA allowance and would like to invest more, you can invest directly into the Plan. Any growth will be subject to capital gains tax. You need to invest a minimum of £3,600 but there is no maximum to the amount you can invest. If you invest in both an ISA and directly into the Plan, we'll treat them as two separate investments for administration purposes.

For direct investments only, to help with your own administration, you can choose a reference (called a 'designation') to help identify your investments. This may be useful if you want to hold the shares for a specific purpose. Whatever the reason, you'll remain the owner of any referenced account.

SIPP and SSAS investment

This Plan is eligible for SIPP (Self Invested Pension Plan) and SSAS (Small Self Administered Scheme) investment. It's very important that you discuss your pension arrangements with your financial adviser to see if this option is right for you. You have to invest a minimum of £3,600 but there is no maximum amount (subject to any limits within your SIPP or SSAS).

What is the RBS UK Autopilot Index?

The RBS UK Autopilot Index is designed, owned and maintained by the Royal Bank of Scotland plc. The Index uses investment techniques to monitor four market sectors (see box opposite for the sectors). Where these techniques indicate that a particular sector is falling the Index will instead link that portion (25%) to the performance of the UK Retail Price Index.

Rising or falling trend:

At the beginning of each month the Index determines whether each market trend is rising or falling. It does this by comparing the average performance of the market over the last year against the current level of the market.

- If the average level of the market is greater than the current level, then that market sector is considered to be falling. This is often referred to as a 'Bear Market'.
- If the average level of the market is lower than the current level, then that market sector is considered to be rising. This is often referred to as a 'Bull Market'.

For each market that is rising, 25% of the RBS UK Autopilot Index will reflect the performance of that particular market. You should be aware that the growth of any market sector is capped at a maximum of 7% per month.

For each market that is falling, 25% of the Index will move it's exposure from the market sector and will be measured against the UK Retail Price Index instead.

Therefore 100% of the Index could be measured against the UK Retail Price Index if all market sectors were falling.

Index performance constraints:

The value of the Index can fall as well as rise. You should remember that these investment techniques could adversely affect the Index performance. For instance if there is a falling market trend but the market rises that month then, as that part of the Index would be inflation linked, you would not benefit from the market growth.

In addition, if a market grows by more than 7% in a month, the Index performance would be capped.

You can find the current level of the RBS UK Autopilot Index and more details on how it works at: www.rbs.co.uk/autopilotindex.

Please note: Legal & General is not responsible for any of the content of this website.

How to apply

You should seek professional financial advice before making any investment decisions. You should also ensure that you have read this brochure, including the terms and conditions, carefully.

To invest in this Plan please complete the relevant application form enclosed. There's an ISA/direct investment form and an ISA transfer form in this pack.

SIPP and SSAS forms are available on request from your financial adviser.

We must receive all applications by the date on the top of the appropriate application form. We must receive the proceeds for your investment before the end of the offer period. If proceeds are received after this date they won't be accepted and will automatically be returned to you, if you're making a new investment, or to your existing manager if you're transferring an ISA.

These dates are also listed on page 6 under 'Investment term and important dates'.

Developed Equity Markets (25%) FTSE 100 Index S&P 500 Index Dow Jones Euro Stoxx 50 [®] Index Nikkei 225 Stock Average Index	Emerging Equity Markets (25%) MSCI iShares Emerging Markets Index Exchange Traded Fund
Property (25%) FTSE EPRA/ NAREIT Developed Europe Index	Commodities (25%) Dow Jones- UBS Commodity Index SM

Who can invest?

- You must be aged 18 or over to apply.
- For ISA investments you must be resident and ordinarily resident in the UK for tax purposes.
- ISA investments can be held in one name only.
- For direct investments into the Plan only, you can hold the investment in joint names. If you are investing jointly, we'll need all investors to sign the application form and also sign for all future transactions.
- For direct investments this Plan is not available to US residents.

How's my money invested?

Your money is used to buy securities with a fixed maturity date, issued by RBS. These securities have been structured so that they can give the Plan the return that is stated at the beginning of this brochure.

We'll open an account in your name to ensure that you hold the rights to any stated benefits of the Plan, as described at the beginning of this brochure. Your securities will be registered along with those of other investors, in our name, you'll remain the beneficial owner. In order to ensure the safekeeping of your securities we will appoint a custodian to hold them on our behalf. No certificates will be issued.

Before we buy the securities we'll deposit your money in a client money account. If the pre-investment interest rate is above 0% you'll earn interest from the date your payment is treated as cleared until 26 August 2010. Following our receipt of your application, payments by debit card will be treated as cleared after four business days and by cheque after one business day. This interest will be added to your account and will be included in your total investment amount.

For ISA investments this interest will be subject to a deduction of 20%, which is paid to HM Revenue & Customs as tax. For non ISA investments, the interest will be paid gross. This will need to be declared to HM Revenue & Customs as taxable income on your self-assessment tax return. The amount will be shown on your statement.

How is my investment linked to the RBS UK Autopilot Index?

The performance of the RBS UK Autopilot Index is used to determine whether or not you receive any growth at the end of the fixed term. If the RBS UK Autopilot Index has grown you will receive 100% of that growth, subject to averaging in the final twelve months.

The securities we buy from RBS have been designed to give the returns stated in this brochure, which are dependent on the performance of the RBS UK Autopilot Index.

The securities don't invest directly into the companies in the RBS UK Autopilot Index, therefore you won't receive any dividends from the companies that form the Index.

There is a risk that during the term of the Plan:

- the RBS UK Autopilot Index may be cancelled, amended or replaced or the level of the RBS UK Autopilot Index may not be calculated and announced as scheduled; or
- the level of the RBS UK Autopilot Index cannot be calculated because the relevant exchanges underlying the determination of the RBS UK Autopilot Index fail to open for trading or close early or trading is suspended or limited; or
- an error may occur in the published level of the RBS UK Autopilot Index which is subsequently corrected.

If any of these events occur, RBS as issuer of the securities is permitted under the terms of those securities to adjust the calculation of payments or defer payments under those securities. As a result you may have to wait longer for the proceeds.

What happens if I change my mind?

Once we've accepted your application we'll send you a cancellation notice, as required by law. If you decide to withdraw from the offer, you have 14 days from when you receive this notice to return the form to us, see 'Contacts' at the end of this section.

If we receive the notice before the securities are bought, you'll have your investment returned without interest. If the notice is received by us after securities are bought, the value of the securities will be affected by market prices and the costs of selling the securities will be deducted, so you may get back substantially less than you originally invested.

If you exercise your right to cancel a transfer, you'll permanently lose the ISA entitlement relating to that transfer and the proceeds will be sent to you.

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

- you'll remain invested in the Plan;
- you'll be subject to all the risks as detailed in this brochure;
- if in an ISA, you forfeit your right to contribute to any other stocks and shares ISA with another manager for the tax year that you make this investment; and
- if in an ISA, you won't be able to replace any contributions withdrawn within the same tax year, unless the amount you wish to invest is within your unused ISA allowance.

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

You can sell the whole or part of your investment before the end of the fixed term however; you could get back substantially less than you originally invested. You can take out £500 or more, but you must leave at least £500 to keep your Plan open. Over the investment period, the value of your securities will depend on a number of factors, including the current market conditions. This value will be provided by RBS. Dealing will take place twice a month, as detailed in the terms and conditions.

If you would like to cash in your investment, or transfer your ISA, before the end of the fixed term you can do this by writing to us, with your instructions, at the address given in 'Contacts' at the end of this section.

What documentation will I receive?

Within six working days of our receipt of your application, we'll send you a welcome letter, confirming receipt of your money and a notice giving you the right to cancel.

We'll send you a contract note after the start date of the investment, showing your investment within your Plan. You'll receive a statement and valuation every year.

If you have invested in a Plan with joint holders, we'll send all correspondence to the first applicant, unless you request otherwise.

What happens at the end of the fixed term?

At the end of the fixed term RBS will work out whether any growth is payable. They will then pay us, Legal & General (Portfolio Management Services) Limited, the original investment plus any growth, within seven working days (the maturity payment date). On, or around, the maturity payment date we'll write to you setting out the options available to you. Once we've received your instructions, we'll endeavour to fulfil them within five working days.

We'll hold the proceeds of your investment in an interest bearing client money account for a reasonable period of time, until we receive your instructions. For ISA investments this interest will be subject to a deduction of 20%, which is paid to HM Revenue & Customs as tax. You will retain your ISA status whilst we are waiting for your instructions. For non ISA investments, the interest will be paid gross. If we don't hear from you within a reasonable period of time, we reserve the right to transfer the proceeds of your investment into a non-interest bearing account and/or return them to your nominated bank or building society account.

What happens if I die?

For direct investments your investment doesn't automatically close.

- for Plans held in joint names, the Plan will continue in the name of the survivor.
- for Plans held in one name, when we receive proof of death and all other documentation needed to make a payment we will, based on the instruction of a nominated personal representative, either:
 - (a) repay the current value to your personal representatives; or
 - (b) transfer the investment to a named beneficiary(ies) to continue the investment until maturity. If this option is chosen, your beneficiary(ies) will receive, and must agree to, the relevant terms and conditions.

For ISAs, your ISA automatically closes but your money remains invested in securities in a direct investment Plan. Please note that any growth in this Plan will be treated as interest. When we receive proof of death and all other documentation needed to make a payment we will, based on the instruction of a nominated personal representative, either:

- (a) repay the current value to your personal representatives; or
- (b) transfer the investment to a named beneficiary(ies) to continue the investment until the end of the fixed term. If this option is chosen, your beneficiary(ies) will receive, and must agree to, the relevant terms and conditions.

Any tax credits received after the date of your death will be paid direct to HM Revenue & Customs and deducted from the proceeds of the sale.

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 RBS.

What's my tax liability?

Personal tax situations vary, so one investment option may be more suitable than another. The following tax assumptions are based on our understanding of current taxation in the UK and are subject to change. The value of any tax advantages will depend on your individual circumstances and where your money is invested. If you need tax or legal advice, please contact a financial adviser.

ISA investment including transfers

An ISA in this product is a tax-free stocks and shares ISA. Any growth in this ISA will be treated as interest and will be free of any income tax.

Direct Investments

If you're resident or ordinarily resident in the UK, any growth is treated as a capital gain and may be subject to capital gains tax. However, depending on your individual circumstances, you may be able to reduce your liability to this tax by using your capital gains tax annual exemption (currently £10,100 for the 2010/2011 tax year).

If you become resident outside the UK at any point during the life of your investment, you may be liable to tax in that country, even if your investment is held within an ISA. If you have any queries, you should consult a tax adviser in that country.

How much will any advice cost?

We'll pay your adviser for any new investment. Your adviser will give you details of the amount that we will pay them. The amount of commission payable will be up to 3.0% of the amount you invested. These charges are already taken into account in calculating the returns stated within this brochure. The exact amount will be included in your welcome letter.

How do we 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 or adviser.

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

This brochure does not provide advice or recommendations. It's important that you only invest in this Plan if it meets your needs. If you're unsure of the suitability of this product for your needs, please contact your financial adviser for advice.

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 won't 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

We, Legal & General (Portfolio Management Services) Limited, may close an offer early or withdraw the product prior to the end of the offer period. This may happen if not enough money is received to make it viable, because the offer is over subscribed or, in the event of changes to market conditions, laws or regulations. If your application isn't accepted your investment will be returned in full.

What's my customer category?

We're 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'll 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 wouldn't be entitled to receive a suitability report or appropriateness assessment where these would be required for retail clients.

If you're a professional client or eligible counterparty you can ask to be categorised as a retail client, although this doesn't necessarily mean you can refer any complaints to the Financial Ombudsman Service, and you may not be eligible for compensation under the Financial Services Compensation Scheme.

Complaints

If you wish to complain about any aspect of the service you receive from us, or would like us to send you a copy of our internal complaints handling procedures, please contact us. See 'Contacts' at the end of this section.

If you have a complaint about the advice you've received, you should contact your financial adviser.

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.

Compensation

You don't have the right to claim compensation against us, nor from the Financial Services Compensation Scheme (FSCS), in relation to the poor performance of any underlying asset(s). Equally, if the provider of the underlying assets (for example, RBS) becomes insolvent, you will not be eligible to claim compensation.

When you initially invest, before the start date of your investment, and when your investment reaches the end of the fixed term and matures, cash may be held in a client money account with a banking third party, RBS (or such other bank or authorised institutions we may nominate from time to time) on our behalf. If we become insolvent, this cash is protected in accordance with the Financial Services Authority's client money regulations and is held by the bank. This means that no other policyholders, any of our potential creditors or the bank itself will be able to access your money. However, if the bank holding this money became insolvent, you may be entitled to compensation under the FSCS. Cash accounts are covered for 100% of the first £50,000 per firm, per customer.

If for any reason this money isn't held in a designated client account and we become insolvent, you may be entitled to compensation from the FSCS. Your ability to claim and the amount you may be able to claim will depend on the specific circumstances of your claim.

Most types of investment business are covered for 100% of the first £50,000 per firm, per customer.

For more information about the scheme, including eligibility to claim and frequently asked questions, please see the FSCS's website – www.fscs.org.uk or contact their Customer Services Team on 020 7892 7300.

Plan and ISA Manager and issuer of securities

Plan Manager and 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're entered on their register under number 146786.

You can check this at www.fsa.gov.uk or by contacting them on 0300 500 5000.

Issuer of securities

The Royal Bank of Scotland plc,

250 Bishopsgate,

London EC2M 4AA.

Telephone 020 7678 4700.

Registered in Scotland No. 90312.

For further details on the Royal Bank of Scotland Group plc financial performance and shareholder information please visit www.investors.rbs.com

RBS is authorised and regulated by the Financial Services Authority (FSA). They are entered on the FSA register under number 121882. You can check this at www.fsa.gov.uk or by contacting them on 0300 500 5000.

Regulator

Financial Services Authority,

25 The North Colonnade,

Canary Wharf,

London E14 5HS.

Marketing Agent

SIP Nordic UK Limited,

6 Old Lodge Place,

St Margarets, Twickenham TW1 1RQ.

Telephone 0845 680 9125, www.sipnordic.co.uk, 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 still 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.

Other important information

The underlying securities provider is The Royal Bank of Scotland plc, Registered Office: 36 St Andrew Square, Edinburgh EH2 2YB, United Kingdom. Member of the RBS Group. Registered in Scotland. Registered Number: 90312. The Royal Bank of Scotland plc is authorised and regulated by the Financial Services Authority, 25 North Colonnade, Canary Wharf, London, E14 5HS. FSA Registration Number: 121882. The Royal Bank of Scotland plc's only role in the products described in this document is to provide the underlying securities to Legal & General (Portfolio Management Services) Limited. The provision of these securities is independent and separate to the management of the Plan. In particular, The Royal Bank of Scotland plc does not offer, provide, sponsor, or manage the Plan and does not accept any liability in relation to the issue, management and operation of the Plan.

The product is not in any way sponsored, sold or promoted by any relevant stock market, relevant index, related exchange or index sponsor. 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 figure at which the relevant stock market, relevant index or related exchange 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 or related exchange and shall not be under any obligation to advise any person of any error therein.

Further details of this investment are in the Prospectus, an electronic copy of which is available on request from RBS (see page 15) or us, see the 'Contacts' section below.

The terms and conditions, which are governed by English law, shall apply to an account as soon as it's accepted. In the event of any conflict between the ISA 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.

For IFAs requiring further marketing literature, please visit the RBS website at rbs.co.uk/ifa or phone +44(0)845 680 9125 or email, email@signordic.co.uk. Private investors should contact their IFA.

Important information – Please ensure that you read this brochure including the terms and conditions carefully. Neither Legal & General (Portfolio Management Services) Limited nor The Royal Bank of Scotland plc offer investment advice or make any recommendation regarding investments. This product is designed to be distributed by Financial Advisers. You are advised to take professional financial advice before you apply.

ISA products are provided by, and the Plan is managed by, 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, 25 North Colonnade, Canary Wharf, London E14 5HS. FSA Registration Number: 146786.

Contacts

You can write to us at this address, or call us on the number below, 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.

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 won't 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.

Terms and conditions

1. Definitions

“AER” means the Annual Equivalent Rate and illustrates what the interest rate would be if interest was paid and compounded once each year. As every advertisement for a savings product which quotes an interest rate will contain an AER, you will be able to compare more easily what return you can expect from your savings over time.

“Application” means the properly completed application form for investment into your Plan and includes an application for an ISA transfer.

“Business Day” means a day (other than Saturday or Sunday) on which commercial banks are open for business in London.

“Charge” means the charges taken into account in the terms of the Plan as detailed in the Key Terms and further described in Clause 13.

“Client Money Account” means a current or deposit account at a third party bank that is in our name, but includes in its title an appropriate description to indicate that it holds only clients’ money in accordance with our regulatory responsibility and is used to hold the money of one or more clients.

“Dealing Deadline” means 5.00pm on both the 7th and the 20th of each month or where this is not a Business Day then the previous Business Day. For any investment held in cash it means every Business Day.

“Exchange Business Day” means a day on which each exchange on which the underlying indices used to calculate the level of the Index are open for business.

“Final Interest Date” means the last date on which pre-investment interest is paid prior to the Start Date as detailed in the Key Terms.

“HMRC” means Her Majesty’s Revenue & Customs.

“Index” means RBS UK Autopilot Index which is sponsored and operated by the Issuer (or a member of the Issuer’s group of companies). The Index is based on the performance of underlying indices relating to certain markets. More information on how the Index works is included in the brochure and can be found on www.rbs.co.uk/autopilotindex

“Index Valuation Date” means each day on which the level of the Index is calculated by the Issuer so that it can determine the Maturity Payment as set out in the Key Terms or, where such specified date is not an Exchange Business Day, the next day which is an Exchange Business Day.

“Issuer” means The Royal Bank of Scotland plc which issues the Securities and also carries out the calculations relating to the Securities.

“ISA” means Individual Savings Account..

“ISA Account” means your Plan account that is a stocks and shares ISA, which includes any ISA transferred from an existing ISA, contracted under these Terms and Conditions and any relevant Key Terms.

“ISA Regulations” means The Individual Savings Account Regulations 1998.

“Maturity Date” means the date on which a specific offering of the Product is due to mature.

“Maturity Payment Date” means the date detailed in the Key Terms on which the Issuer will transfer the Maturity Payment to the Plan Manager.

“Maturity Payment(s)” means the payment due on the Securities at the Maturity Date under the terms of those Securities.

“MTN Securities Account” means any Securities Account which holds a Medium Term Note either as a result of the termination of an ISA (including under Clause 8(k) or Clause 11) or, in particular circumstances where we allow for Plans to be opened as an MTN Securities Account (for example, if you are investing through a self invested personal pension or small self administered scheme or you are a corporate or [registered] charity).

“Payment” means any lump sum payment made to the Plan, including in the case of an ISA Account, any ISA transfer value in accordance with the terms of the Application. The maximum and minimum allowable Payments into a Plan are detailed in the Product brochure.

“Plan” means your Securities Account and/or your ISA Account, as selected in your application, for the particular offering of the Product as covered by these Terms and Conditions and the Key Terms.

“Plan Manager, we, us or our” means Legal & General (Portfolio Management Services) Limited.

“Plan Opening Period” means the period during which we may accept Applications to make subscriptions into a Plan as set out in the Key Terms, subject to Clause 3.

“Product” means the The Autopilot Plan 4.

“Related Company” means any company in the same group of companies as the Plan Manager.

“Securities Account” means your Plan account that is not an ISA contracted under these Terms and Conditions and any relevant Key Terms.

“Securities” means Medium Term Notes (where your Plan is opened as an ISA Account or an MTN Securities Account) or Warrants (where your Plan is opened as a Securities Account which is not an MTN Securities Account) issued by the Issuer under the terms of the Issuer’s prospectus. These securities are structured to provide the investment return described in the brochure.

“Start Date” means the date on which your investment is used by the Plan Manager to purchase the Securities on your behalf and your Plan starts, as detailed in the relevant Key Terms.

“Terms and Conditions” mean these terms and the relevant Key Terms.

“Transfer Amount” means the value of an ISA transferred to us into an ISA Account, from another account manager, including transfers from a cash ISA.

“Written” or **“in Writing”** means an instruction that you have signed.

“you” and **“your”** means the individual(s), trustee or corporate body who has/have applied to open a Plan under these Terms and Conditions.

These Terms and Conditions apply to an investment in the Autopilot Plan 4 including for the time your investment is held as cash either before the Start Date or after the Maturity Date.

These Terms and Conditions are in addition to those relating to any other investment account you may have with us.

2. Introduction

These Terms and Conditions apply to your Plan. Your Plan will have the features and risks set out in the remainder of this brochure and the Application and you should read all these documents.

3. Acceptance

- (a) We will open a Plan in your name once we have received an Application in a form acceptable to us and your Payment has cleared. An Application will not be acceptable if, in our reasonable opinion:
 - (i) you are not eligible to hold a Plan
 - (ii) the Application is incomplete or needs clarification.
 - (iii) any Application and/or Payment is received after the close of the Plan Opening Period. If any such late Payment is a Transfer Amount, then the Payment will not be banked and will be returned to the previous ISA manager.
- (b) Where an Application is made for a Plan other than in Writing, the Plan Manager will make a written declaration confirming all the details provided by you in the Application and send a copy to you. You will have 30 days to notify any corrections to the Plan Manager from the date the copy declaration is sent to you. Any revised declaration will take effect from the date of the original declaration by the Plan Manager on your behalf. If a revised declaration is received after 30 days have elapsed, that declaration will only take effect from the date it is received at the address in Clause 23. Faxed or email Applications will not be accepted unless by prior agreement with the Plan Manager.
- (c) If, 30 days after acceptance, we are still waiting to receive any information reasonably required to verify your identity, we will assume that the Plan is to be closed in accordance with the withdrawal and termination procedures in Clause 8. In such cases, any payments will normally be returned to the original source of the contribution. If this relates to an ISA, your annual ISA entitlement relating to any ISA contribution will be lost.
- (d) The Plan Manager has the right to close the Plan Opening Period early or terminate the offering prior to the Start Date. For example, we may do this if we do not receive sufficient Payments or the Plan is oversubscribed or if the Issuer requires us to due to changes to market conditions or as a result of changes to laws or regulations. If we do this and your Application is not accepted, we will return your Payment to you by direct credit.

4. How your Payments are invested

- (a) We will bank all Payments into a pre-investment Client Money Account on the Business Day on which it is received. This Client Money Account, which will be in our name, will be held with The Royal Bank of Scotland plc (or such other bank or authorised institution as we may nominate from time to time). We are not responsible for the default of any third party financial institution that holds cash under these Terms and Conditions.
- (b) Pre-investment interest will be paid on the money held on your behalf in the Client Money Account from the date your Payment is cleared until the Final Interest Date as detailed in the Key Terms. The current rate of pre-investment interest is detailed in the Key Terms.
- (c) Any interest added to an ISA Account will be subject to a flat rate charge by HMRC, currently 20%.
- (d) Under the terms of your Application, we'll use all your Payment plus any pre-investment interest added to acquire Securities on the Start Date. If for any reason the Securities are not issued, we will return your Payment, plus any pre-investment interest to you.

5. Ownership of Securities

- (a) All Securities purchased by the Plan Manager on your behalf on the Start Date will be registered in our name or the name of any nominee we appoint, along with those of other investors who have a Plan. However, you will beneficially own the Securities.
- (b) We may appoint a third party custodian to hold the Securities for safekeeping. We are not responsible for the acts or omissions of the third party.
- (c) You may not charge, pledge or otherwise use the Securities as security for any loan or other obligation and agree to remain the sole beneficial owner of the Securities. We, or any nominee we may appoint, will hold any Security ownership documents.
- (d) The Securities will be held on your behalf until the Maturity Date, unless the Plan is terminated earlier in accordance with these Terms and Conditions.

6. Cancellation

- (a) We will send you a cancellation notice by post when we have accepted your Application and received a Payment. This means that you will not be sent a cancellation notice for an ISA Account set up by way of ISA transfer until we have received the Transfer Value.
- (b) If you wish to cancel your Plan, you must send the completed cancellation notice form to us at the address provided within 14 days from the date you receive the cancellation notice.
- (c) If we receive your cancellation notice form on or before the Start Date, we will cancel your Plan and you will receive a full refund of your Payment, without any pre-investment interest, by direct credit.
- (d) If we receive your cancellation notice form after the Start Date and the Securities have already been purchased, we'll sell the Securities in your Plan on the Business Day following the next Dealing Deadline, subject to the Issuer providing a price for the Securities on that date or such later date as the Issuer is able to provide such a price.

The amount we return to you will be affected by any market movements in the value of the Securities. Therefore, the amount we return to you may be less than the amount you subscribed to the Plan.

- (e) If you exercise your right to cancel an ISA transfer, you will permanently lose your ISA entitlement relating to that transfer.
- (f) Payments for a cancellation will be made once we're certain of cleared funds in respect of your investment (banks and building societies may take up to 21 working days to fully honour any Payment). Any cancellation payments will be returned to the original source of the Payment except for ISA transfers and in exceptional circumstances.
- (c) For any withdrawal, we will pay the proceeds of the sale of the Securities to you within 10 Business Days of the date we receive the proceeds of the sale of the Securities from the Issuer. Payments will be paid into the bank or building society account as detailed in your Application or any account held by you that you subsequently inform us about in Writing. Where a withdrawal is made shortly after a Payment is made, the proceeds will only be paid once we are assured of cleared funds in respect of that Payment.

7. Plan Management and Payment

- (a) After the Start Date, we will send you a contract note detailing the purchase of the Securities in your Plan.
- (b) We will also send you a statement for your Plan yearly. Details of the exact statement dates are available on request from the address in Clause 23. Please note that there is no annual report or accounts (or any other information issued other than your statement). There are no shareholders', securities holders' or unit holders' mailing or voting rights applicable to your Plan.
- (c) On the Maturity Payment Date, the Issuer is required to pay the Maturity Payment on the Securities.
- (d) Shortly after the Maturity Date we will write to you outlining the options available to you. Until we receive your Written instructions, we will hold your Maturity Payment in an interest bearing maturity Client Money Account for a reasonable period of time.
- (e) The ISA Regulations only allow ISAs to be invested in cash in this way as long as there's an intention to invest in another ISA eligible investment. If you don't send us an instruction, HMRC can, at any time, tell us to close the ISA and we'd send you the cash value. Any interest added to an ISA will be subject to a flat rate charge by HMRC, currently 20%.
- (f) If we do not receive your Written instructions within a reasonable period of time, we reserve the right to transfer your Maturity Payment (plus any interest) into a non-interest bearing Client Money Account and/or transfer such payment back into your nominated bank or building society account.
- (e) Where we've good reason to query a signature or the validity of a withdrawal instruction, we won't pay you until the query has been resolved to our satisfaction. Whilst we're waiting for any such query to be resolved, the proceeds will be held in a Client Money Account and no interest will be paid. Where your instruction was provided by telephone, we may, in certain circumstances and at our absolute discretion, pay the proceeds to you without receipt of such verification.
- (f) Payment can be made by cheque at your request and risk, however, we will not be responsible for failure of the cheque to arrive in the post. If you instruct us to make a payment to a non-Sterling bank account, payment will be made in Sterling and we won't pay any costs for currency conversion. Payments to anyone other than you will only be made on death (see Clause 11) or when transferring to another ISA account manager (see Clause 9).
- (g) Payments won't be made to individuals holding powers of attorney unless they operate a Client Money Account.
- (h) No interest will be earned between the date Securities are sold and the date any payment clears into your bank or building society account. We reserve the right to deduct any outstanding fees, charges and expenses from the amount due to be paid to you.
- (i) If, for whatever reason, we can't pay you, we'll hold the money in a Client Money Account. If you haven't provided us with revised payment details within six years, we may write to you at your last known address informing you that it's our intention to no longer treat this as client money. You'll then have 28 days to make a claim for this money. We'll then transfer this amount from the Client Money Account. However, we will make good any valid claims that are subsequently received.

8. Withdrawal and Termination

- (a) The Plan is structured to be held until the Maturity Date. You may, however, withdraw all or part of your investment from any specific offering otherwise than at these times by giving notice to that effect to the Plan Manager. Any partial withdrawal instruction must make it clear whether a particular amount is required or a set proportion of the original investment. The notice must be in Writing. You must be aware that if we receive your request to withdraw after the Start Date the amount you will receive on withdrawal may be considerably less than the amount of your original subscription.
- (b) If we receive your request to withdraw after the Securities have been purchased, we'll sell the Securities in your Plan on the Business Day following the next Dealing Deadline subject to the Issuer providing a price for the Securities on that date or such later date as the Issuer provides a price. The amount you receive is dependent on the market value of the Securities at the time of sale. The value of the Securities is likely to be less than the amount you originally invested for a substantial part of the investment period. If you withdraw all your investment, we will then close your Plan.
- (j) The Plan Manager may close your Plan by giving you a minimum of one month's notice. We may give you written notice to close your Plan if it is no longer feasible to continue it because of changes made to the ISA Regulations or other applicable laws or regulations or if you fail to comply with these Terms and Conditions. We will not be liable to you for any loss, liability or damage that you may suffer if we do close your Plan for these reasons.
- (k) We'll tell you if your ISA has or will become void because we've failed to meet the provisions of the ISA Regulations. If your ISA becomes void under the ISA Regulations (even if HMRC allows it to be repaired), unless you tell us otherwise, enough Securities will be sold in order to pay to HMRC any payment they demand. Unless HMRC allows the ISA to be repaired, the remaining Securities will be held outside the ISA in an MTN Securities Account but you will remain the beneficial owner.

9. Transferring your ISA Account

You may transfer all of your ISA Account relating to any specific offering before the Maturity Date, as permitted by the ISA Regulations, to another ISA manager. We can take up to 30 days to process this transfer. You must be aware that the amount you'll receive on such a transfer may be considerably less than the amount of the original subscription. We will deduct any outstanding charges, or any payments that are owed to HMRC in accordance with the ISA Regulations from the Transfer Value.

10. Investments by Pension Scheme Trustees

Where a pension scheme trustee ("First Trustee") purchases a Securities Account and the scheme member subsequently transfers to another pension scheme ("Second Scheme"), we will seek to allow the transfer of the Securities Account from the First Trustee to the trustee of the Second Scheme by means of a simple re-registration agreement. This agreement will allow the First Trustee to relinquish all interest in the Securities Account and for the Plan Manager to allow the Securities account to be re-registered in the name of the trustee of the Second Scheme who will takeover the Securities Scheme on exactly the same terms as the First Trustee. The terms of the original investment cannot be changed in any way on transfer.

11. Death

- (a) For Securities Accounts held in more than one name, the Plan will continue in the name(s) of the surviving investors.
- (b) For ISA Accounts, upon death, the ISA automatically terminates in accordance with the ISA Regulations but will be converted into an MTN Securities Account and the Plan will remain invested in the same Security as prior to the termination of the ISA (being a Medium Term Note).
- (c) For Securities Accounts, including MTN Securities Accounts, in one name, upon death of the investor before the Maturity Date and following receipt of the information we require, your personal representatives may elect to either:
 - (i) close your Plan, in which case we will sell the Securities on the Business Day following the next Dealing Deadline subject to the Issuer providing a price for such Securities on that date, or such later date as the Issuer provides such a price, and the proceeds (which, if the sale is prior to the Maturity Date may be less than your original Payment) will be sent to your personal representatives; or
 - (ii) transfer your Plan into the name of the personal representatives or a beneficiary(ies) of the estate so that the Plan is able to continue until the Maturity Date subject to the personal representatives or beneficiary(ies) agreeing to these Terms and Conditions.
- (d) If any tax credits were added to your Plan after the date of your death, a sum equal to these credits will be deducted from the Plan and paid to HMRC and your personal representatives will receive the cash value of the Plan subject to that deduction.
- (e) If your personal representatives require a Plan to be opened with us in another investor's name, we may require verification of identity from the new Plan holder.
- (f) There may be a tax liability if the value of the Securities increases after your death.

12. Tax

- (a) For ISA Accounts which remain ISA Accounts until the Maturity Date no tax is currently payable on any Maturity Payments.
- (b) For Securities Accounts holding Warrants, (being those which are not MTN Securities Accounts), you may be subject to capital gains tax on any gains arising depending on your personal circumstances.
- (c) For MTN Securities Accounts holding Medium Term Notes, (being those which converted to Securities Accounts through termination of an ISA (including under Clause 8(k) or Clause 11)) any growth is treated as interest for tax purposes and will be subject to income tax. We expect to pay any such growth gross of any income tax which may be payable. However, in particular circumstances, we may be required to pay any growth after the deduction of income tax at the basic rate of UK Income Tax (currently 20%). We will let you know on payment if we have done this.
- (d) Please note that tax law is subject to change.

13. Charge

The Charge has already been taken into account in the terms available for your Plan. This Charge is used to meet plan management administration costs together with any commission paid to the financial adviser who has introduced you to us. There are no other charges payable in relation to your Plan.

14. Extraordinary Circumstances, Adjustments and Disruption

- (a) Any payment under the Plan is dependent on the payment under the Securities which will be made in accordance with the terms of the Securities. These terms contain provisions which may result in adjustments to the calculation of your entitlement and/or the timing of such calculation or payment as a result of certain adjustment or disruption events. Depending on the event or circumstance, you may have to wait longer for Payment after the Maturity Payment Date.
- (b) The Issuer's determination of the Index level in accordance with the terms of the Securities at the Start Date and the Maturity Date and each Index Valuation Date will be conclusive and binding on you.
- (c) There may be circumstances where the Issuer is not able to calculate the level of the Index on a day on which a calculation in respect of the Securities is required to be made. These circumstances include:
 - (i) any of the relevant exchanges underlying the determination of the Index fail to open for trading or close early;
 - (ii) trading on the relevant exchanges is suspended or limited or is materially disrupted;
 - (iii) the level of the Index (or any underlying index) is not calculated or published;
 - (iv) there is a change to the formula or method of calculating the Index (or any underlying index); or
 - (v) the Index (or any underlying index) is replaced by a successor index.
- (d) In the event of the circumstances set out in Clause 14(c) above applying, the Issuer may adjust the terms of the Securities as appropriate which may include:

- (i) making its own determination of the level of the Index or underlying index (as applicable);
 - (ii) substituting the Index or underlying index (as applicable) for a different index;
 - (iii) changing the date for the calculation of the value of the Securities; or
 - (iv) making a change to the payment terms of the Securities.
- In these circumstances the calculation of any Maturity Payment will be affected and you may have to wait longer for payment.
- (e) If the Issuer is unable to make an adjustment in accordance with Clause 14(d), it may cancel the Securities and your Plan will close early. The amount you will receive in these circumstances will depend on the fair market value of the Securities less any costs incurred by the Issuer in making such early payment. This could mean that you lose some or all of your original investment.
 - (f) Except where Clause 14(c) applies, if there is an error in the published level of the Index which is subsequently corrected, the terms of the Securities permit the Issuer to take this correction into account in determining the Index level provided that such correction is made prior to the Maturity Date. Any corrections to any Index level made after the Maturity Date will not be taken into account in determining payment under the Securities.
 - (g) There may be circumstances where the ability of the Issuer to comply with the terms of the Securities or any arrangement to ensure payment under the terms of the Securities becomes either illegal or prohibited or there is a change in the application of taxation regulation to such terms or arrangements. In these circumstances, the Issuer may cancel the Securities and your Plan will close early. The amount you receive in these circumstances will depend on the fair market value of the Securities less any costs incurred by the Issuer in making such early payment. This could mean that you could lose some or all of your original investment.

15. Issuer and other Risks

- (a) During your investment you will be exposed to the credit risk of the Issuer and the risk that the Issuer fails to perform its payment obligations under the terms of the Securities. Any default by the Issuer will affect payments under the Plan leading to lesser amounts being paid than expected or no amounts being paid under the Plan. We are not responsible for any default of the Issuer.
- (b) If the performance of the Issuer's obligations under the Securities becomes illegal or impracticable due to a change in law, the Securities and consequently your Plan may be terminated early. If your Plan is opened as an ISA Account, your Plan may also be terminated early if the Issuer would be required to pay any additional amounts in tax on the Securities. In these circumstances the amount paid under the Plan may be less than expected or no amounts may be paid.

16. Conflicts of interests

During your investment conflicts of interest may arise between you and us, our employees, our associated companies or our representatives. To ensure we treat investors consistently and fairly, we're required to have a policy on how to identify and manage these conflicts.

A summary of our policy is detailed below. A copy of the full policy is available on request from the address in Clause 23. We:

- (a) will consider the interests of all of our customers and treat them fairly;
 - (b) will manage conflicts of interest fairly to ensure that all customers are treated consistently and to prevent any conflict of interest from giving rise to a material risk of damage to the interests of our customers;
 - (c) have in place procedures to ensure that staff identify and report any new conflicts;
 - (d) will keep a written record of any conflicts or potential conflicts;
 - (e) if appropriate, will disclose any relevant conflict to a customer before undertaking business with that customer;
 - (f) will carry out an annual review to identify any new conflicts;
 - (g) will ensure new business developments identify any new conflicts of interest;
- This policy applies to any company to whom we delegate any of our responsibilities.

17. Delegation

We may delegate any of our duties under these Terms and Conditions to any Related Company or other agent and may provide them with information about you and your Plan and you agree that we may do so. However, we will remain liable to you for the performance of any delegated matters. We shall only delegate our functions under these Terms and Conditions where it is permitted by law and regulations and, in particular, the ISA Regulations. In any event, we will not delegate unless we are satisfied that any person to whom we delegate any of our functions is competent to carry out those functions.

18. Assignment

We may appoint another company to be the Plan Manager of your Plan under these Terms and Conditions providing one month's notice has been given to you. The new Plan Manager must be approved to act as an ISA Manager by the Commissioners of HMRC.

19. Disclosure of information

The Plan Manager may disclose any information arising in connection with a transaction under these Terms and Conditions to any relevant authority or as required by such authority (whether or not pursuant to compulsion of law or regulation) and shall not be under any liability for any disclosure which we make in good faith.

20. Liabilities

- (a) The Plan Manager or any Related Company will not be responsible for any loss incurred, including any loss in the value of the Securities except those losses incurred as a direct result of our fraud, negligence or wilful default. In particular, the Plan Manager or any Related Company will not be responsible for any loss incurred as a result of or in connection with any of the circumstances set out in Clause 14 or Clause 15, the failure of the Issuer to comply with the terms of the Securities or any change to the terms of the Securities.
- (b) In the event of any failure, interruption or delay in the performance of its obligations resulting from any breakdown, failure or malfunction of any telecommunications or computer services or systems, or any event not reasonably within its control, neither the Plan Manager nor any Related Company shall be liable or have any responsibility of any kind for any loss or damage you incur or suffer as a result.

21. Changes to the Terms

We may amend these Terms and Conditions by giving you at least 30 days' notice, in writing, provided that such variations or changes are permitted under the Financial Services Authority Handbook and mean that an ISA continues to meet the ISA Regulations .

We may make such a change to these Terms and Conditions in the following circumstances:

- (i) to conform with or anticipate any changes in applicable laws, rules and regulations;
- (ii) to provide for the introduction of new or improved systems, methods of operation, services or facilities;
- (iii) to take account of a ruling by a Court, Ombudsman, regulator or similar body;
- (iv) to reflect market conditions;
- (v) to make them clearer or more favourable to you;
- (vi) to correct any mistake that might be discovered in due course;
- (vii) to reflect any change made by the Issuer to the terms of the Securities; or
- (viii) we need to respond to changes in tax rates, interest rates or the costs of providing the Plan.

If you're unhappy with any such changes you can transfer an ISA (see Clause 9) or close your Plan (see Clause 8).

22. 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 won't 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.

23. Notices or Requests

- (a) We will send any notices or other correspondence to the address you have given us in your Application form, or to a new permanent residential address of yours, provided you have notified us in Writing of the change. We'll only carry out instructions if they're from you or your authorised representatives.
- (b) You should send any notices, instructions, or requests for further information, to us at:

For postal instructions

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

For couriered instructions

Legal & General Retail Investments
Customer Services Centre
4th Floor Brunel House
2 Fitzalan Road
Cardiff CF24 0EB

or, such other address that we tell you about after acceptance.

We will notify you, if by failure to satisfy the provisions of the ISA Regulations, your Account has, or will, become void.

24. Complaints

We have a procedure for handling any complaints relating to the operation of your Account, a copy of which is available on request at the address in Clause 23. In the event you are not satisfied, you also have a right of complaint direct to the Financial Ombudsman Service.

Should your complaint relate to any aspect of the service that is provided by the Issuer, we will refer your complaint to the Issuer.

Should your complaint relate to the advice you have received or to the service provided by your financial adviser, we will refer your complaint to your financial adviser.

25. Policies

You can also request copies of the following policies:

- (a) Best Execution
- (b) The Use of Powers of Attorney
- (c) Investments held in joint names
- (d) Investments from Overseas
- (e) Locating customers without an address

26. Informing us of changes

You agree to inform us, without delay, of any change in your circumstances or status, including in particular any change of address, name, bank account or residency status. Where we do not have an up to date address for you, we may make enquiries to identify your new address and reclaim the cost of tracing. To this end, we may need to share your details with trusted external parties.

27. Third Parties

Our relationship is with you and we will not recognise the interest or claim of any other person unless we are required to do so by law.

28. Law and jurisdiction

- (a) This document is based on our understanding of current English Law and HM Revenue & Customs practice, both of which may change in the future.
- (b) These Terms and Conditions will be governed by and construed in accordance with laws of England.
- (c) We will always communicate with you in English.
- (d) All communications from us will normally be by letter or telephone.

29. Entire Terms

These Terms and Conditions, any relevant Key Terms, the remainder of the brochure and the completed Application constitute the entire terms on which the Plan is provided to you.

30. Regulators

Legal & General (Portfolio Management Services) Limited is authorised and regulated by the Financial Services Authority.

Important Information

None of the Products are guaranteed investments. Returns depend on investments with The Royal Bank of Scotland plc and in the event of it being unable to meet their obligations, the benefits will fall short of those mentioned. These benefits are dependent on the investment being held until the Maturity Date. The value of your investment may fall as well as rise and isn't guaranteed. The benefits are based on our understanding of current tax rules in the United Kingdom, which are subject to change. The value of tax relief will depend on your individual circumstances. Transfers into a Product do not take into account any withdrawal charges levied by existing providers.

Key Terms for the Autopilot Plan 4

“Charge”	The charges taken into account in the terms of the Plan will be no more than 4.0% of your total Payment.
“Final Interest Date”	26 August 2010.
“Index Valuation Dates”	2 March 2015, 1 April 2015, 7 May 2015, 1 June 2015, 1 July 2015, 3 August 2015, 1 September 2015, 1 October 2015, 2 November 2015, 1 December 2015, 4 January 2016, 1 February 2016, 1 March 2016.
“Maturity Date” (at end of five and a half years)	1 March 2016.
“Maturity Payment Date”	8 March 2016.
“Plan Opening Period”	14 June 2010 to 13 August 2010.
“Pre-investment Interest”	The current pre-investment interest rate is 0.87% gross/AER.
“Start Date”	1 September 2010.



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

