

Important information

Changes to your Terms and Conditions

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November 2010

Changes to Terms and Conditions for Personal and Private Banking

We have made some changes to the following:

- Our *'Personal and Private Banking – Terms and Conditions'* (our **'Terms and Conditions'**); and
- Our leaflet, *'Personal and Private Banking – A Guide to Fees and Interest'* (our **'Fees Leaflet'**).

These changes alter the terms of the contract between you and us.

Our unarranged overdraft fees are changing.

We are introducing a new daily fee of £6 which will apply if there is an unarranged overdraft on your account. This fee will be known as the Unarranged Overdraft Fee and it will replace our Maintenance Charge, Guaranteed Card Payment Fee, Paid Referral Fee and debit interest on unarranged overdrafts.

The Unpaid Item Fee will be renamed the 'Returned Item Fee'. We are also increasing this fee. A Returned Item Fee of £6 will apply for each returned item (subject to a maximum of £60 in any charging period).

We will also no longer offer our Monthly Management Fee Option. If you have opted for the Monthly Management Fee Option, the separate schedule which currently applies to your account (*the Schedule of Charges applicable to the Monthly Management Fee Option*) will cease to have effect and you should instead refer to our Fees Leaflet for details of the charges that apply to your account.

These changes to our Terms and Conditions and Fees Leaflet are summarised in Section 1. For full details of the Unarranged Overdraft Fee and Returned Item Fee, please see General Condition 6.3 (which is set out in full in Section 2 **on page 6**) and the text headed 'Arranged Overdrafts, Unarranged Overdrafts, Returned Items and Enforcement Charges' in section 7 of our updated Fees Leaflet **on page 12**.

Please note that it is possible for you to incur both an Unarranged Overdraft Fee and a Returned Item Fee on the same day or as a result of a single transaction (for example, where we take a Returned Item Fee from your account and this creates an unarranged overdraft on your account).

You will always receive at least 14 days' notice before we take an Unarranged Overdraft Fee and/or a Returned Item Fee from your account.

The changes to our unarranged overdraft fees come into effect on the first day of your charging period following **1 February 2011**. The first day of your charging period is normally the day after we issue your statement to you.

The removal of debit interest on unarranged overdrafts will come into effect on **1 February 2011**.

We have also made some changes to General Conditions 3.1.2, 5.5.1(a), 6.6.2, 6.6.5, 9.2, 11.2.1(c)(i), 11.3, 14.3.14 and Account Specific Conditions 5.1, 6.1, 7.1, 8.1, 21, 24.6, 25.6, 26.6, 30.12, 30.14 and 32.3. These changes take effect on **1 February 2011**.

The changes apply to all our Personal and Private Banking current accounts and savings accounts unless otherwise stated.

Please read the information in this leaflet carefully and keep it for future reference.

- Section 1 of this leaflet summarises the main changes to our Terms and Conditions and our Fees Leaflet (**page 5**).
- Section 2 of this leaflet provides full details of the changes to our Terms and Conditions (**page 6**).
- Section 3 of this leaflet contains the full text of our updated Fees Leaflet (**page 9**).

If you have any questions, or need further information on how these changes affect you, please contact your local branch.

The updated versions of these leaflets are available on request in your local branch or on our website **www.natwest.com** from **1 February 2011**.

Section 1: Summary of Changes

Main terms being changed in our Terms and Conditions	Summary of change
Throughout the Terms and Conditions	All references to 'unpaid items' and to the 'Unpaid Item Fee' have been changed to 'returned items' and the 'Returned Item Fee'.
General Condition 3.1.2 Section A: Conditions of General Application	This has been amended so that you may give us instructions to debit your account by using a contactless card.
General Condition 6.3 Section A: Conditions of General Application	General Condition 6.3 has been deleted and replaced with a new General Condition 6.3 which explains how we deal with instructions which give rise to unarranged overdrafts and/or returned items on your account, and provides for the charges we make in such cases.
General Condition 6.6.2 Section A: Conditions of General Application	This term (relating to interest and charges) now applies only to arranged overdrafts and not to unarranged overdrafts.
General Condition 6.6.4 Section A: Conditions of General Application	The reference to the 'Paid Referral Fee' has been deleted. This term now provides that we may apply an Unarranged Overdraft Fee where an unarranged overdraft arises because we have debited your account with interest, charges or costs.
General Condition 6.6.5 Section A: Conditions of General Application	This has been amended to provide that we will not charge interest on an unarranged overdraft. The references to the 'Maintenance Charge', 'Paid Referral Fee' and 'Guaranteed Card Payment Fee' have been removed from paragraph (b). Paragraph (b) now provides that we will not charge debit interest on any part of an arranged overdrawn balance which represents a Returned Item Fee or an Unarranged Overdraft Fee.
General Condition 9.2 Section A: Conditions of General Application	This has been amended to allow us to contact you by mobile phone or email.
General Condition 11.3 Section A: Conditions of General Application	This has been amended to reflect the fact that debit interest will only be charged on arranged overdrafts and not on unarranged overdrafts.
Account Specific Condition 21 (First Home Saver Account) and Account Specific Conditions 30.12 and 30.14 (Fixed Rate Bond)	These have been amended to make them easier to read and understand. In addition, in relation to Fixed Rate Bond, a reference to "(Information Sheet)" has been added to the end of Account Specific Condition 30.1 and all subsequent references to "information sheet for that issue", "information sheet for each issue" and "information sheet for each bond issue" now read "Information Sheet".
Account Specific Conditions 24.6, 25.6, 26.6 and 32.3 (Cash ISA, e-ISA, Cash ISA Plus and Cash ISA – TESSA Funds)	These have been amended to clarify that if the amount you pay into your ISA exceeds the subscription limit set by the Government, we will return any excess money to you.
Main terms being changed in our Fees Leaflet	Summary of change
Section 6 (Interest due on overdrawn balances)	Section 6 has been given a new heading: 'Interest due on arranged overdrafts'.
Section 6 (Interest due on arranged overdrafts)	The sub-heading 'Unarranged Overdrafts' and all the text under this sub-heading has been deleted.
Section 6 (Interest due on arranged overdrafts)	Under the sub-heading 'Sums which do not bear interest', we have deleted the references to 'Maintenance Charge', 'Paid Referral Fee' and 'Guaranteed Card Payment Fee' and have replaced them with a reference to the 'Returned Item Fee' and the 'Unarranged Overdraft Fee'.
Section 7 (Arranged Overdrafts, Unarranged Overdrafts, Unpaid Items and Enforcement Charges)	We have renamed this section 'Arranged Overdrafts, Unarranged Overdrafts, Returned Items and Enforcement Charges'.
Section 7 (Arranged Overdrafts, Unarranged Overdrafts, Returned Items and Enforcement Charges)	We have amended the paragraph directly below the sub-heading 'Unarranged overdrafts and returned items – charges' (previously 'Unarranged overdrafts and unpaid items – charges') to provide that we will give you not less than 14 days' notice if we are going to debit your account with an Unarranged Overdraft Fee and/or a Returned Item Fee. We have also deleted the text headed 'Maintenance Charge', 'Paid Referral Fee' and 'Guaranteed Card Payment Fee' and substituted new text headed 'Unarranged Overdraft Fee'. Please note that we have increased our Returned Item Fee to £6.
Section 7 (Arranged Overdrafts, Unarranged Overdrafts, Returned Items and Enforcement Charges)	We have deleted the sub-section 'Monthly Management Fee Option'.

Section 2: Detailed changes to our Terms and Conditions

General Conditions

Throughout the Terms and Conditions:

- All references to an 'unpaid item' or 'unpaid items' have been changed to a 'returned item' or 'returned items'.
- All references to the 'Unpaid Item Fee' have been changed to the 'Returned Item Fee'.

General Condition 3.1.2 has been amended and now reads:

- 3.1.2 Your instructions can be given to us in writing (which must include your signature(s)), by cash machine, by telephone, online, by contactless card or by any other means we tell you are available.

General Condition 5.5.1(a) has been amended and now reads:

- 5.5.1 (a) Where you instruct us to make a payment using the Faster Payments Service, the payment will normally be credited to the payee's account immediately (but may sometimes take up to 2 hours), providing the payment amount is within our defined limits and the receiving bank is a member of the Faster Payments Service. Further information on the Faster Payments Service can be found in our leaflet *Our commitment to you*.

General Condition 6.3 has been deleted and replaced with a new General Condition 6.3 which reads:

6.3 Unarranged overdrafts and returned items

- 6.3.1 If you issue instructions for a withdrawal or other payment which would result in:
- (a) your account becoming overdrawn, or further overdrawn, without prior arrangement; or
 - (b) your overdraft limit being exceeded,
- we will treat your instructions as an informal request for an unarranged overdraft. General Conditions 6.3.2 to 6.3.4 describe how we process your request and the charges we make in such cases.
- 6.3.2 We will be obliged to accept your request if you have used a cheque guarantee card or debit card to guarantee payment. In any other case, we will decide in our discretion whether or not to accept your request. We will take account of your financial circumstances in reaching our decision.
- 6.3.3 If we reject your request, we will make a charge known as a Returned Item Fee. This charge will apply in addition to any charge which may be imposed under General Condition 6.3.4.
- 6.3.4 Where you have an unarranged overdraft, we will apply a daily charge known as an Unarranged Overdraft Fee.
- 6.3.5 The charges mentioned in this General Condition 6.3 will be calculated and charged in the manner and at the rates that apply to your account set out in *Personal and Private Banking – A Guide to Fees and Interest*.

- 6.3.6 If we allow an overdraft to be created or your arranged overdraft limit to be exceeded, this will not mean that your arranged overdraft limit has been changed, nor that we are bound to make any other payment which would have the same effect.
- 6.3.7 We may cancel any Standing Order or Direct Debit on your account if it is unpaid on more than one occasion and we reasonably think that the cleared balance (plus any unused arranged overdraft facility) on your account is unlikely to be sufficient to meet future payments under the Standing Order or Direct Debit.

General Condition 6.6.2 has been amended and now reads:

- 6.6.2 Interest and charges relating to arranged overdrafts will be payable and will be calculated and charged in the manner and at the rates that apply to your account set out in *Personal and Private Banking – A Guide to Fees and Interest* and in any overdraft confirmation letter. Interest will be calculated on the daily cleared overdrawn balance on your account (both before and after any judgement for payment).

General Condition 6.6.4 has been amended and now reads:

- 6.6.4 We may debit your account with any interest, fees, charges or other costs, even if this results in or increases an unarranged overdraft. If an unarranged overdraft arises in this way we may apply an Unarranged Overdraft Fee under General Condition 6.3.4.

General Condition 6.6.5 has been amended and now reads:

- 6.6.5 We do not charge interest on unarranged overdrafts. Nor will we charge interest under General Condition 6.6.2 on any part of an arranged overdrawn balance which represents:
- a) a Default Notice Fee or other sum (apart from interest) which is payable by you in connection with a breach of your obligations under your agreement with us; or
 - b) a Returned Item Fee or Unarranged Overdraft Fee.

In General Condition 9.2.3 'or mobile' has been inserted between the words 'telephone' and 'number'.

A new General Condition 9.2.4 has been inserted and reads:

- 9.2.4 If we hold an email address or mobile phone number for you, we may use this to communicate service related information to you and, in particular, we may alert you to any concerns we may have about the activity on your account.

General Condition 11.2.1(c)(i) has been amended and now reads:

- 11.2.1 (c)(i) the interest rate that applies to your account falls by more than 0.25% in a single movement; or

General Condition 11.3 has been amended and now reads:
11.3 Notification of changes to arranged overdraft interest rates

- 11.3.1 Except where General Condition 11.3.2 applies, if we are changing the interest rates we charge on arranged overdrafts, we will notify you personally not less than seven days before the change comes into effect.

11.3.2 For arranged overdraft interest rates that are linked to an internal reference rate (for example, set at a margin over our base rate) we may notify you of a change to the reference rate by advertising the change as soon as possible after it comes into effect in at least three national daily newspapers and on our website www.natwest.com. Where the change applies to branch based accounts, we will also display a notice of the change in our branches.

Card Conditions

In General Condition 14.3.14, the number "14.3.13" has been deleted and replaced with "14.3.12".

Account Specific Conditions

Current Account, Current Plus Account, Step Account and Cash Account

In Account Specific Conditions 5.1, 6.1, 7.1 and 8.1 the words 'aged 16 years' has been deleted and replaced with 'aged 18 years'.

First Home Saver Account

Account Specific Condition 21 has been amended and now reads:

21 FIRST HOME SAVER ACCOUNT

- 21.1 First Home Saver Accounts are available only to individuals aged 16 years or over, and mortgages are available only to individuals aged 18 years or over.
- 21.2 Joint accounts are permitted.
- 21.3 When you open your account, you must deposit at least £100 into the account.
- 21.4 After you open your account, the balance may fall below £100 but it must not exceed £1 million.
- 21.5 Interest will be paid into your First Home Saver Account or another account held by you at your branch.
- 21.6 You may not have your wage or salary paid directly into your account.
- 21.7 Standing Order and Direct Debit payments are not permitted on your account.
- 21.8 Arranged overdrafts are not available on your account.
- 21.9 Cheque books are not available on your account.
- 21.10 You will be entitled to cashback on your account, provided that you meet all of the following requirements:
- (a) you have not previously held a mortgage, or if your account is in joint names, neither one of you has previously held a mortgage, however, only one of you is required to apply for a mortgage; and
 - (b) your account has been open for at least 6 months prior to the mortgage funds being used; and
 - (c) you maintain a balance of at least the amount required to qualify for the cashback at any given tier (as set out in our leaflet *Savings Account Rates*) for a minimum of 6 months. If, after that 6 month period, you need to withdraw money as part of the house buying process then you will still be entitled to your cashback, so long as the mortgage funds are

used within 60 days of the withdrawal being made; and

- (d) at least one payment a month of a minimum of £50 is made into your account by Standing Order; and
 - (e) you (or, if you apply for the mortgage jointly, each of you making the mortgage application) meet our standard mortgage criteria for the mortgage you apply for; and
 - (f) you use the funds from one of our mortgages (excluding Buy to Let mortgages); and
 - (g) your account remains open either until the cashback is paid or the expiry of 4 months following the use of the mortgage funds, whichever is earlier. No further payments into the account are required following the use of the mortgage funds to be eligible for the cashback.
- 21.11 Only one cashback per mortgage application will be allowed. Only one cashback can be claimed per person. Where your account or mortgage is in joint names, only one cashback will be paid.
- 21.12 Cashback will not be paid automatically. You must claim it within 3 months of the mortgage funds being used.
- 21.13 To claim cashback you must contact your branch. We will then advise you if you qualify for cashback. If you qualify, we will pay the cashback into your account within 30 days of the date you contact us.
- 21.14 If cashback is payable:
- (a) it will only be paid into your First Home Saver Account; and
 - (b) it will be calculated using the lowest balance in your account in the 6 months prior to the mortgage funds being used, subject to a maximum balance as detailed in our leaflet *Savings Account Rates*. When calculating the lowest balance we will not take into account any withdrawals that you make in the 60 days prior to the mortgage funds being used which are made as part of the house buying process. We may ask you to provide evidence of the purpose of each withdrawal.
- 21.15 We may withdraw the cashback offer, provided that we notify you personally 6 months beforehand.

Cash ISA

Account Specific Condition 24.6 has been amended and now reads:

- 24.6 The maximum amount that can be paid into your account each tax year is set by the Government and may change from time to time. If the amount paid in exceeds the subscription limit any excess money will be returned to you.

e-ISA

Account Specific Condition 25.6 has been amended and now reads:

- 25.6 The maximum amount that can be paid into your account each tax year is set by the Government and may change from time to time. If the amount paid in exceeds the subscription limit any excess money will be returned to you.

Cash ISA Plus

Account Specific Condition 26.6 has been amended and now reads:

- 26.6 The maximum amount that can be paid into your account each tax year is set by the Government and may change from time to time. If the amount paid in exceeds the subscription limit any excess money will be returned to you.

Fixed Rate Bond

New Account Specific Condition 30.12 has been inserted and existing Account Specific Condition 30.12 has been renumbered 30.13. New Account Specific Condition 30.12 reads:

- 30.12 The account into which your balance will be paid will be the same as the account you have chosen for interest payments.

New Account Specific Condition 30.12 has been inserted and existing Account Specific Condition 30.14 – 30.15 have been renumbered accordingly. New Account Specific Condition 30.14 reads:

- 30.14 Each bond issue has a specified maturity date which is set out in the information sheet for each issue. We will contact you personally before the maturity date to provide you with details of re-investment options and alternative savings options.

Cash ISA – TESSA Funds

Account Specific Condition 32.3 has been amended and now reads:

- 32.3 The maximum amount that can be paid into your account each tax year is set by the Government and may change from time to time. If the amount paid in exceeds the subscription limit any excess money will be returned to you.

Section 3: Our Fees Leaflet

Our leaflet '*Personal and Private Banking – A Guide to Fees and Interest*' will be updated on 1 February 2011 and will read:

We're committed to helping you get the most out of your account – which includes making you aware of the charges and rates of interest that apply to your account.

It is important that you read and retain this leaflet which forms an integral part of the documents and brochures in the following list that apply to your account:

- the account opening form or the conversion form for your account;
- *Personal and Private Banking – Terms and Conditions*;
- *Current Accounts*;
- *Banking*;
- *Our commitment to you*;
- *Advantage Private*, *Advantage Gold* and *Advantage Blue Service Guides*.

All charges and rates shown are correct as at 1 February 2011 and may change. The interest rates shown in this leaflet have been rounded to two decimal places.

To find out more about our current interest rates and charges, you can:

- phone our helpline – 0800 200 400
- use our Minicom service – 0800 917 6161
- look on our website – www.natwest.com
- ask any of our branch staff

More help or advice

- If you would like more help and advice, please contact either your branch or your Relationship Manager
- If you are unhappy about any aspect of the service you receive from NatWest, please do let us know

You can contact Customer Relations on 0800 015 4212 (Minicom users please call 0800 917 0527).

Lines are open between 9am and 5.30pm, Monday to Friday and between 9am and 3pm on Saturday, excluding Bank Holidays.

This leaflet tells you about:

1. Plain speaking – glossary (page 9)
 2. The price for your banking services (page 9)
 3. Services you can receive without separate charge (page 10)
 4. Advantage banking (page 10)
 5. Interest we pay you (page 10)
 6. Interest due on arranged overdrafts (page 10)
 7. Arranged Overdrafts, Unarranged Overdrafts, Returned Items and Enforcement – Charges (page 12)
 8. Foreign transaction and Debit Card charges (page 14)
 9. Additional services (page 15)
 10. Interest on credit balances – taxation (page 15)
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1. Plain Speaking – glossary

Below, we explain some common terms used in this leaflet, in plain English.

Annual Equivalent Rate (AER)

This is a notional rate used for interest bearing accounts which illustrates what the gross credit interest rate (excluding any bonus interest payable) would be if paid and compounded on an annual basis. It helps you to compare the effective rates of credit interest on different accounts.

Effective Annual Rate of Interest (EAR)

This is the real annual cost of an overdraft, stated as an annual rate, which takes into account how often interest is charged to the account. All other charges, such as arrangement fees, must be shown separately from the EAR.

Gross Rate

This means the interest rate you are paid before the deduction of income tax.

Net Rate

This means the interest rate you are paid after the deduction of income tax. See section 10 for more information on the deduction of income tax from interest paid to you.

Nominal Rate

The rate charged excluding compounding of interest and other charges associated with a borrowing, e.g. arrangement and security fees.

p.a.

per annum (per year).

This leaflet is available in Braille, large print and on audio tape. Ask in branch or call 0800 015 4212 and select option 1 (Minicom 0800 917 0527) to request that the leaflet/brochure be sent to you in an alternative format.

2. The price for your banking services

The charges and rates of interest set out in this leaflet include:

- the monthly subscription fees we charge for Advantage Gold, Advantage Private and Advantage Blue (section 4);
- the interest rates we may pay you when your account is in credit (section 5);
- the interest rates we charge you when your account is overdrawn (section 6); and
- our overdraft and returned item charges (section 7).

These charges and rates of interest work together as the main elements of the pricing structure we use for our current accounts. The way we charge puts you in control of what you pay.

As long as you stay in credit, you can enjoy the services listed in section 3 of this leaflet without any separate charge being made. This is possible because our pricing structure enables us to charge for the provision of the account through the fees, charges and interest set out in sections 4, 6 and 7, and through setting the interest rates shown in section 5 at a level which allows us to benefit from the use we make of any credit balance in the account.

3. Services you can receive without separate charge

As long as you stay in credit, you can receive the following services without any separate charge being made:

- payments by debit card in the UK, cheque, Direct Debit or Standing Order;
- transactions using your debit card or ATM card in any NatWest, Royal Bank of Scotland cash machines, or almost all other UK cash machines. There are some cash machines in the UK and abroad where the owner of the machine may charge a fee. You will be advised on the screen about any charges before you withdraw cash. You can then stop the transaction if you do not want to be charged;
- account statements (but a charge is made for copies);
- cheque books, paying-in books and statement holders;
- telephone and online banking – apart from the cost of the phone call and any charges your Internet Service Provider may charge you for accessing the service;
- use of our counter services. There may be additional fees if we have to make special arrangements or provide specialist services.

4. Advantage Banking

The following monthly subscription fees are payable by Advantage Gold, Advantage Private and Advantage Blue customers. Membership includes access to all the benefits listed in the appropriate brochures and user guides.

These also contain details of other fees and services.

Advantage Gold

£12.95 per month will be payable from your Advantage Gold Account.

Advantage Private

£19.95 per month will be payable from your Advantage Private Account (£17.85 for Black Card customers).

For Advantage Private accounts opened on or before 20 July 2006, the subscription fee will be taken via your Charge Card. The annual subscription of £239 (£214 for Black Card customers) is payable for each year or part of a year and is charged when the Advantage Private account is opened and on each anniversary thereafter.

If you opened your account between 1 July 2004 and 20 July 2006 and opted to pay by monthly instalments, then your subscription of £19.95 per month will be taken from your Charge Card. If you are a Black Card customer who opened an account between 20 September 2004 and 20 July 2006 and opted to pay by monthly instalments, then your subscription of £17.85 per month will be taken from your Charge Card.

Advantage Blue

£6.95 per month will be payable from your Current Plus, Step or Current Account.

If you choose the Advantage Blue International – student option, £6.95 per month will be payable from your Step Account.

Application of subscription fees

The subscription fee for each monthly charging period will be debited from your account 21 days after the end of that charging period (or on the next business day if this is a Saturday, Sunday or Bank Holiday). The fee will appear on your

statement as 'CHG'. The charging period normally ends on the date that we issue your statement to you.

5. Interest we pay you

The annual rates of interest paid on credit balances are as follows:

1. Advantage Private

Amount held in account	Gross Rate %	Net Rate %	AER %
£1 – £9,999	0.25%	0.20%	0.25%
£10,000 – £24,999	0.40%	0.32%	0.40%
£25,000+	0.50%	0.40%	0.50%

2. CardPlus* and Adapt Account

Type of account	Gross Rate %	Net Rate %	AER %
CardPlus*	1.49%	1.19%	1.50%
Adapt	1.00%	0.80%	1.00%

3. Advantage Gold, Private Bank Account, Current Plus, Student Account, Graduate Account, Cash Account and Step Account

These accounts do not pay interest on credit balances. This also applies to current accounts opened in conjunction with a Gold card (Gold Plus).

*CardPlus is not available to new customers.

Calculation and application of Interest

Interest is calculated on a daily basis and paid into your account once a month, usually the day after we issue your statement to you.

Changes to Interest Rates

From time to time we may alter the interest rates set out in this leaflet.

When we alter our interest rates, we will either notify you personally or, in certain cases, we may notify you by press advertisements within three of the following daily national newspapers:

The Times	The Financial Times
The Independent	The Guardian
The Daily Telegraph	Daily Mail
Daily Express	

If we notify you by press advertisements, we will also advertise the changes on our website www.natwest.com and, where the alteration applies to branch based accounts, by branch notices.

For more information on when we may change interest rates in this way, please see General Condition 11 (Changes to interest rates and exchange rates) in our leaflet *Personal and Private Banking – Terms and Conditions*.

6. Interest due on arranged overdrafts

1. Advantage Private, Advantage Gold, Current Account, Current Plus and Private Bank Account

If you have arranged an overdraft facility with us in advance and

you use this facility within the thresholds shown below, you will not pay any interest. If the amount you overdraw under an arranged overdraft facility exceeds these thresholds, you will pay interest at the rates shown in the tables below on the overdrawn balance – please note that this includes the part of the balance which is within any interest free threshold that applies to your account. However, we will not charge interest on any part of the overdrawn balance which is an unarranged overdraft or represents fees, charges or costs of the kind described below under the heading *Sums which do not bear interest*.

If you have arranged an overdraft facility with us in advance under which you pay interest at a rate other than the rates shown in the tables below, the interest free thresholds shown below will not apply to your account.

Type of account	Interest free threshold
Advantage Private	£250
Current Account, Current Plus, Private Bank Account, Advantage Gold	£100

Type of account	Nominal monthly rate %	Nominal annual rate %	EAR % variable
Advantage Private			
All amounts	1.16%	13.96%	14.89%
14.89% EAR Typical (variable)			

Type of account	Nominal monthly rate %	Nominal annual rate %	EAR % variable
Advantage Gold Credit Zone Overdraft			
All amounts	1.49%	17.94%	19.49%
19.49% EAR Typical (variable)			

Type of account	Nominal monthly rate %	Nominal annual rate %	EAR % variable
Current Account, Current Plus and Private Bank Account Credit Zone Overdrafts			
All amounts	1.52%	18.28%	19.89%
19.89% EAR Typical (variable)			

Gold Plus (Current Accounts opened in conjunction with a Gold Card)	The rate on these accounts is set at a margin of 6.75% above our base rate. The rate you pay will change automatically as our base rate changes in line with interest rates generally. This margin can be changed by us on giving you notice in accordance with our leaflet <i>Personal and Private Banking – Terms and Conditions</i> . Please note that the Gold Plus service and Gold Plus overdrafts are not available to new customers.
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2. Student Account

Your overdraft is available at a preferential rate while you hold a Student Account. If at any time you cease to be a Student customer for any reason, then the interest rate you pay on your overdraft will revert to the standard rate which applies to Current Plus customers.

Student Account arranged overdrafts are interest free and available subject to status. If you request an arranged overdraft with a limit which exceeds the thresholds set out below, you will need to provide additional information to support your application.

All Student Account customers entering their second, third, fourth or fifth year of university will have the following thresholds applied:

Interest free thresholds	Nominal monthly rate %	Nominal annual rate %	EAR % variable
Year 2 (£1,400)	0.00	0.00	0.00
Year 3 (£1,600)	0.00	0.00	0.00
Year 4 (£1,800)	0.00	0.00	0.00
Year 5 (£2,000)	0.00	0.00	0.00
0.0% EAR Typical			

From 2010 all Student Account customers starting their first year of university will have the following thresholds applied:

Interest free thresholds	Nominal monthly rate %	Nominal annual rate %	EAR % variable
Year 1 (£1,000)	0.00	0.00	0.00
Year 2 (£1,250)	0.00	0.00	0.00
Year 3 (£1,500)	0.00	0.00	0.00
Year 4 (£1,750)	0.00	0.00	0.00
Year 5 (£2,000)	0.00	0.00	0.00
0.0% EAR Typical			

3. Graduate Account

Your overdraft is available at a preferential rate while you hold a Graduate Account. If at any time you cease to be a Graduate customer for any reason, then the interest rate you pay on your overdraft will revert to the standard rate which applies to Current Plus customers.

If you graduate before 1 January 2013, the package is available for up to 3 years and the preferential terms expire at the end of June in the third year after graduation. We will treat the end of our June charging period as the end of June for this purpose. In all cases, proof of graduation is required to open an account.

If you graduate from 1 January 2013 onwards, the package is available for up to 2 years and the preferential terms expire at the end of June in the second year after graduation. We will treat the end of our June charging period as the end of June for this purpose. In all cases, proof of graduation is required to open an account.

Graduate Account arranged overdrafts are interest free if the overdraft limit does not exceed the thresholds set out below. If an overdraft is arranged with a limit which exceeds those thresholds, you will pay interest on the amount of the overdrawn balance that exceeds the relevant threshold at a rate of 1.38% per month, which is equivalent to **17.81% EAR Typical (variable)**. However, we will not charge interest on any part of the overdrawn balance which is an unarranged overdraft or represents fees, charges or costs of the kind described below under the heading *Sums which do not bear interest*.

If you graduate before 1 January 2013, the following thresholds will apply:

Interest free thresholds	Nominal monthly rate %	Nominal annual rate %	EAR % variable
Year 1 (£2,000)	0.00	0.00	0.00
Year 2 (£1,000)	0.00	0.00	0.00
Year 3 (£500)	0.00	0.00	0.00
0.0% EAR Typical			

If you graduate from 1 January 2013 onwards, the following thresholds will apply:

Interest free thresholds	Nominal monthly rate %	Nominal annual rate %	EAR % variable
Year 1 (£2,000)	0.00	0.00	0.00
Year 2 (£1,000)	0.00	0.00	0.00
0.0% EAR Typical			

If you have taken out a Graduate Overdraft Repayment Plan, you may still apply for an overdraft facility, but we will charge you interest at a rate of 16.50% per annum, which is equivalent to **17.81% EAR Typical (variable)**.

Calculation and application of interest

Interest on arranged overdrafts is calculated on a daily basis and charged monthly.

The interest we charge in each charging period will be debited from your account 21 days after the end of that charging period (or on the next business day if this is a Saturday, Sunday or Bank Holiday).

The charging period normally ends on the date that we issue your statement to you.

If we are going to debit interest from your account, we will give you not less than 14 days' notice of how much we are going to debit and when.

Sums which do not bear interest

We do not charge interest on unarranged overdrafts. Nor do we charge interest on any part of an arranged overdraft which represents:

- a Default Notice Fee or other sum (apart from interest) you must pay us in connection with a breach of your obligations under your agreement with us; or
- a Returned Item Fee or Unarranged Overdraft Fee (see section 7 for details of these charges).

Changes to Interest Rates

From time to time we may alter the interest rates we charge on arranged overdrafts set out in this leaflet.

When we do this we will notify you personally not less than seven days before the change comes into effect, unless your arranged overdraft interest rate is linked to an internal reference rate (for example, set at a margin over our base rate).

For arranged overdraft interest rates that are linked to an internal reference rate, we may notify you as soon as possible by press advertisements within three of the following daily national newspapers:

The Times	The Financial Times
The Independent	The Guardian
The Daily Telegraph	Daily Mail
Daily Express	

If we notify you by press advertisements, we will also advertise the changes on our website www.natwest.com and, where the alteration applies to branch based accounts, by branch notices.

7. Arranged Overdrafts, Unarranged Overdrafts, Returned Items and Enforcement Charges

Advantage Private, Advantage Gold, Current Account, Current Plus, Private Bank Account, Student Account*, Graduate Account*, Step Account*

The charges shown in this section do not normally apply to the other accounts we offer to Personal and Private Banking customers. However, we sometimes allow other accounts (including savings accounts*) to be operated in a way which enables the customer to give instructions for a withdrawal or other payment which cannot be met from the funds in the account. If this happens, the charges listed below under the heading "Unarranged overdrafts and returned items – charges" will apply.

* Holders of these accounts will only pay the Returned Item Fee.

Arranged overdrafts – arrangement and renewal fees

Fee payable	
Current Account, Current Plus, Private Bank Account and Advantage Gold	
Credit Zone Overdrafts up to and including £7,500, where interest is charged at the standard Credit Zone Overdraft rate.	No fee.
Credit Zone Overdrafts over £7,500 or Credit Zone Overdrafts where an interest rate other than the standard Credit Zone Overdraft rate is payable.	2% of the new limit, (minimum £30).
Advantage Private	
Overdrafts of less than £15,000.	No fee.
Overdrafts of £15,000 and over. These are our normal overdraft fees. They may vary, depending on your specific needs.	1% of the new limit.
Student Account and Graduate Account	
Overdrafts up to the arranged limit.	No fee.
Temporary or increased facilities for all customers	If you wish to increase an existing facility at any time contact either your Relationship Manager or your branch. Any fees payable will be advised to you at that time.

Unarranged overdrafts and returned items – charges

If we are going to charge you an Unarranged Overdraft Fee and/or a Returned Item Fee, we will give you not less than 14 days' notice of how much we are going to charge you and when.

Unarranged Overdraft Fee

An Unarranged Overdraft Fee will be charged for each day on which there is an unarranged overdraft of greater than £6 on your account at close of business on that day.

Please note: we will only charge an Unarranged Overdraft Fee for a non-business day (*i.e.* a Saturday, Sunday or Bank Holiday) if there is an unarranged overdraft of greater than £6 owing on your account at close of business on the first following business day.

When charged

21 days after the end of the charging period (or the next business day if this is a Saturday, Sunday or Bank Holiday). The charging period normally ends on the date that we issue your statement to you.

Fee Amount

£6 for each day for which an Unarranged Overdraft Fee is payable.

Returned Item Fee

A Returned Item Fee will be charged if:

- you informally request an unarranged overdraft by issuing instructions for a withdrawal or other payment; and
- the payment cannot be met from the funds in your account or any unused arranged overdraft facility; and
- we decide in our discretion not to make the payment.

When charged

21 days after the end of the charging period in which we decide not to make the payment (or the next business day if this is a Saturday, Sunday or Bank Holiday). The charging period normally ends on the date that we issue your statement to you.

Fee amount

£6 for each returned item (subject to a maximum of £60 in any charging period).

Making an informal request for an unarranged overdraft means you will normally have to pay a Returned Item Fee and/or an Unarranged Overdraft Fee. Please note that it is possible to incur both a Returned Item Fee and an Unarranged Overdraft Fee on your account on the same day or as a result of a single transaction (for example, where we take a Returned Item Fee from your account and this creates an unarranged overdraft of greater than £6 on your account).

Savings account customers who have to pay any Returned Item Fees should refer to the table below under the heading 'Charging and application times for fees incurred on savings accounts' for details of charging periods and the dates when fees will be deducted.

Charging and application times for fees incurred on savings accounts

If in any charging period you incur a Returned Item Fee(s) we will deduct the fee(s) from your account on the days set out in the table below. You can use this table by identifying the charging period in which the fee or charge was incurred in the first column and then seeing from the second column when a fee or charge incurred in that charging period will be deducted from your account. We determine the charging period in which a Returned Item Fee is incurred as follows:

Savings – Calculation periods for fees	
Charging Periods	Date when fee is deducted from your account
02 Oct 2010 – 29 Oct 2010	30 November 2010
30 Oct 2010 – 03 Dec 2010	31 December 2010
04 Dec 2010 – 31 Dec 2010	31 January 2011
01 Jan 2011 – 04 Feb 2011	28 February 2011
05 Feb 2011 – 04 March 2011	31 March 2011
05 Mar 2011 – 01 Apr 2011	29 April 2011
02 Apr 2011 – 29 Apr 2011	31 May 2011
30 April 2011 – 03 June 2011	30 June 2011
04 June 2011 – 01 Jul 2011	29 July 2011
02 Jul 2011 – 29 Jul 2011	31 August 2011
30 Jul 2011 – 02 Sep 2011	30 September 2011
03 Sep 2011 – 30 Sep 2011	31 October 2011
01 Oct 2011 – 04 Nov 2011	30 November 2011
05 Nov 2011 – 02 Dec 2011	30 December 2011
03 Dec 2011 – 30 Dec 2011	31 January 2012

Enforcement Charges

Enforcement		
Fee Type	When Charged	Fee Amount
A Default Notice Fee will be payable if we need to serve a default notice on you (for example, if you fail to repay your overdraft on demand or we wish to enforce any security we hold). This is in addition to any other charges that may apply.	Within four days of the Default Notice being served	£30 per notice

Changes to Charges

From time to time we may alter the charges set out in this leaflet. If we increase a charge, we will notify you personally not less than 60 days before the change comes into effect.

Repayment of your overdraft

We can withdraw your overdraft from your account, or demand repayment of your overdraft, if we have a valid reason for doing so and we give you written notice. We will normally give you at least 30 days' prior notice, but our notice may take effect immediately in certain cases.

For more information on when we can withdraw or demand repayment of your overdraft in this way, please see General Condition 6.5.2 (Repayment and termination of your overdraft) in our leaflet *Personal and Private Banking – Terms and Conditions*.

8. Foreign transaction and Debit Card charges

Exchange Rate Transaction Fee

Any transaction in a foreign currency is converted into sterling at our prevailing exchange rate and a transaction fee of 2.75% is subsequently applied for debit card transactions. This fee is known as the Exchange Rate Transaction Fee (ERTF).

Debit Card Charges (foreign currency or sterling)

Transaction type	Charges
Transactions in the UK	
Cash withdrawals in sterling: <ul style="list-style-type: none"> ■ at a UK mainland cash machine ■ in any UK NatWest branch ■ at any NatWest branch or cash machine (ATM) on the Channel Islands, Isle of Man or Gibraltar ■ using your Visa Debit card in any other bank, travel agent, bureau de change or other outlet displaying the Visa logo. 	No charge* No charge 1.5% (minimum £2, maximum £4.50) 1.5% (minimum £2, maximum £4.50)
Purchase of foreign currency or travellers' cheques using a Visa Debit card**:	No charge 1.5% (minimum £2, maximum £4.50)
Foreign currency withdrawal from cash machines.	2% (minimum £2, maximum £5)
Transactions abroad	
Cash withdrawals	2% (minimum £2, maximum £5)
Purchase of currency or travellers' cheques using a Visa Debit card	2% (minimum £2, maximum £5)
Point of sale transactions.	£1.25 per transaction

Where a charge in the table above is stated as a percentage, this is a percentage of the sterling transaction amount.

*We will not charge you for using your card at an ATM in the UK but other companies may charge a fee. You will be advised on screen about any charges before you withdraw cash.

**Standard commission rates apply

Transaction withdrawal limit

In most cases, you can withdraw funds up to your ATM daily withdrawal limit, provided there are sufficient funds in your account. Within Europe some cash dispenser networks have imposed a maximum value per transaction of €150 (equivalent to around £135). To withdraw more than this you will have to carry out more than one transaction. There is a daily limit for cash withdrawals using a Visa Debit card in any other bank, travel agent, bureau de change or other outlet displaying the Visa logo. Details of the limit are available on request from your branch.

9. Additional services

Stopping payment instructions	
Stopping a cheque (unless it has been lost or stolen)	£10

Payments	
Obtaining a banker's draft.	£12
Obtaining a special cheque clearance.	£15
CHAPS payments	£23 – between banks. £21 – between our branches.
Obtaining copies of statements.	£5 per request.
Arrangement fee for Advantage Private FlexiLoans.	Any fees payable will be advised to you at the time.
FlexiLoan arrangement fee.	2% of amount borrowed (minimum fee £100).
Emergency Cash Service.	Any fees payable will be advised at the time.

Cash Withdrawals	
The following charges apply where you use a NatWest Visa Debit card to withdraw cash over the counter in branches that display the Visa logo.	
Cash withdrawals in any NatWest branch in the UK.	No charge
Cash withdrawals in any other Royal Bank of Scotland Group branch in the UK.	1.5% of the amount withdrawn (minimum £2, maximum £4.50).
Cash withdrawals in any non Royal Bank of Scotland Group branch in the UK.	1.5% of the amount withdrawn (minimum £2, maximum £4.50).
Cash withdrawals in any bank outside the UK.	2% of sterling transaction amount (minimum £2, maximum £5). An additional exchange rate transaction fee applies, see Section 8.

Safe Custody	
Annual Holding Charges (payable annually in arrears)	
Sealed envelopes	£25
Small boxes/parcels	£45
Large boxes/parcels	£65
Initial and subsequent re-deposit(s)	£10

Annual Holding Charges are applied in arrears so any withdrawal made prior to the anniversary of the deposit will incur a pro-rated amount of the annual charge. In addition, a £10 fee will be charged for initial deposits and any re-deposits following item

inspection or temporary release. The charges set out above are inclusive of VAT.

Please note that we only accept new items into Safe Custody for our Private Banking customers. Items already held by us in Safe Custody will continue to be held.

If the service you are looking for is not shown in the table above, please ask at any branch or call the number on your statement summary sheet.

10. Interest on credit balances – taxation

In most instances, interest on credit balances is paid after deduction of 20% income tax. If you are a non-taxpayer or overseas resident you can have interest paid without deduction of income tax provided you complete HM Revenue and Customs form R85 available at any of our branches. This also applies on a 50/50 basis where one party to a two party account is a non-taxpayer.

- Where the tax deducted exceeds an investor's tax liability (if any), a claim may be made to HM Revenue and Customs for repayment of tax.
- Individuals who pay only basic rate tax will have no more tax to pay on the interest from which tax has been deducted.
- Individuals who are liable at the higher rate of income tax of 40% will have to pay additional tax on the interest to cover the difference between the tax deducted and the higher rate tax due.

Ask at your local branch for further information.

