

Product Notice

Important information

CONQUISTADOR Securities

Friday, 11 September 2009

Dear Investor,

As you are aware RBS Group (Australia) Pty Ltd (formerly ABN AMRO Australia Pty Ltd) ("**the Issuer**") issued the Conquistador Securities ("**Securities**") under the Product Disclosure Statement dated 1 May 2008 as supplemented by the Supplementary Product Disclosure Statement dated 1 July 2008 (together the "**PDS**").

Further to the product notice dated 30th June 2009, the Issuer advises that the Gems Progressive Fund II SPC ("**GEMS**") is still locked and not allowing further redemptions. It is still not possible to specify the timeframe to receive the balance of the investment in GEMS. The Issuer will provide further updated information about GEMS in due course as it becomes available. Notwithstanding the investment in GEMS, full capital protection will still apply to the Securities at the Maturity Date.

The Securities Value for 31st July was 61.55% and 31st August was 62.26%.

Buyback Offer

The Buyback facility previously offered is still available for Investors who wish to exit their investment in the Securities. Requests for Buyback remains the Issuer's complete discretion and the Issuer has sole discretion to accept, reject or delay a request for Buyback. The Issuer also retains sole discretion to cease the Buybacks at any time.

The Buy-Back Price will be at the Issuer's discretion and will not be able to take into consideration the value of liquidating GEMS.

Investors should be aware that accepting the Buy-Back Price is likely to give them a substantially worse return than if they wait until such time as redemption in GEMS re-commence, although the market is volatile and investors should make their own decision. For example, the Securities Value for August was 62.26%, however the Issuer's Buy-Back Price would only be 54.69%. Once the investment in GEMS has been redeemed, the Issuer expects this difference between the Securities Value and the Buy-Back Price to narrow to the benefit of Investors, however this may not be the case. For example, if Investors choose to wait until the GEMS redemption proceeds are received but then subsequently market interest rates rise, then Investors could end-up receiving less than if they had accepted the earlier Buy-Back Price. Investors should note that if they request a Buy-Back of their Securities before GEMS is liquidated, then those Investors will not receive any value that may be received once GEMS is finally liquidated. In other words, Investors are foregoing any value that potentially may still be realised from liquidation of GEMS.

The Issuer advises Investors to request an estimate of the Buy-Back Price before effecting the Buyback. Investors must acknowledge that this is an estimate only and the actual Buy-Back Price on the Buy-Back Date may be significantly less than the estimate. An Investor may request the Issuer buyback the full amount of their Securities only on the last Business Day of any month up to but not including the Maturity Date by completing and returning to Netwealth the Early Redemption Form. Investors can obtain a copy of the Early Redemption Form at the website www.rbs.com.au/structuredproducts. By submitting an Early Redemption Form, Investors agree and acknowledge that the Issuer is unable to liquidate its hedging arrangement (as specified in clause 15.4.3 of the PDS) because GEMS is still locked. Consequently, the Buyback Date will be the date the

Issuer accepts the Early Redemption Form and calculates the Buyback Price. As indicated above, the Buyback Price will not be able to take into consideration the value of liquidating GEMS because this is not possible at this time.

Investors should always consider the PDS when making any decision regarding their Securities.

Capitalised terms not defined in this notice have the same meaning given to them in the PDS.

For further information, please contact your adviser or Netwealth on 1800 888 223 .

Regards

RBS Group (Australia) Pty Limited