

# Private Banking

Charges and Rates of Interest

Private Banking Deposit Account

Royalties Private Saver

Royalties Private

Private Bank Account

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*
- *The Private Banking Guide to Current Accounts*
- *Personal and Private Banking – Terms and Conditions*
- *How to make the most of your account*
- *Royalties Private service guide*

All charges and rates shown are correct as at 1 February 2011 unless otherwise specified and are subject to variation.

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

- phone our helpline – **0800 121 129**
- look on our website – **[www.rbs.co.uk/privatebanking](http://www.rbs.co.uk/privatebanking)**
- Customers with hearing and speech impairments can contact us by Minicom number **0800 404 6160**
- ask your Private Banking Manager

**This leaflet tells you about:**

1. Plain speaking – glossary	3
2. The price for your banking services	3
3. Services you can receive without separate charge	3
4. Royalties Private membership fees	4
5. Interest we pay you	4
6. Interest due on arranged overdrafts	6
7. Arranged Overdrafts, Unarranged Overdrafts, Returned Items and Enforcement Charges	7
8. Foreign transaction and Debit Card charges	9
9. Additional Services and Travel Money	10
10. Interest on credit balances – taxation	11

## 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 also available in Braille, large print and on audio cassette. Please ask at any branch for a copy of the leaflet entitled *The Disability Discrimination Act – ‘How we make our services accessible to everyone’*.

## 2. The price for your banking services

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

- the monthly membership fees we charge for Royalties Private (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 unarranged 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 Royal Bank of Scotland or NatWest 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. Royalties Private membership fees

The following monthly membership fee payable if you are a Royalties Private customer is £18 per month, payable from your Royalties Private Account. Membership includes access to all the benefits listed in the appropriate brochures and user guides. These also contain details of other fees and services.

### Application of membership fees

The monthly membership fee will be applied 16 days after the end of the charging period (or on the next business day if this is a Saturday, Sunday or Bank Holiday) and will appear on your account statement as "CHG". The charging period normally ends on the date that we send your statement to you.

## 5. Interest we pay you

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

### 1. Private Banking Deposit Account

**Rates effective from 1 April 2009**

Amount held in account	Gross Rate %	AER %	Net Rate %
£1,000,000 +	1.00	1.00	0.80
£100,000 – £999,999	0.55	0.55	0.44
£50,000 – £99,999	0.30	0.30	0.24
£1 – £49,999	0.20	0.20	0.16

## 2. Royalties Private Saver

**Rates effective from 24 July 2009**

Amount held in account	Gross Rate %	AER %	Net Rate %
<b>Excluding conditional bonus</b>			
£250,000 +	1.39	1.40	1.11
£100,000 – £249,999	1.19	1.20	0.95
£50,000 – £99,999	0.99	0.99	0.79
£25,000 – £49,999	0.75	0.75	0.60
£10,000 – £24,999	0.50	0.50	0.40
£1 – £9,999	0.10	0.10	0.08
<b>Including 0.25% conditional bonus (on accounts opened before 12 July 2010 and after 22 October 2010)*</b>			
£250,000 +	1.64	1.65	1.31
£100,000 – £249,999	1.44	1.45	1.15
£50,000 – £99,999	1.24	1.25	0.99
£25,000 – £49,999	1.00	1.00	0.80
£10,000 – £24,999	0.75	0.75	0.60
£1 – £9,999	0.10	0.10	0.08

We calculate interest on a daily basis. We add this interest to your account (or to another account at the same branch) every month.

\*A conditional bonus equivalent to 0.25% gross p.a. (0.20% net p.a.) is payable with your monthly interest, if you do not make any withdrawals and maintain a minimum balance of £10,000 in your account during that month.

**Rates effective from 12 July 2010**

Amount held in account	Gross Rate %	AER %	Net Rate %
<b>Including 1% introductory conditional bonus +0.25% conditional bonus (on accounts opened between 12 July 2010 and 22 October 2010)</b>			
£250,000 +	2.64	2.42	2.11
£100,000 – £249,999	2.44	2.21	1.95
£50,000 – £99,999	2.24	2.01	1.79
£25,000 – £49,999	2.00	1.76	1.60
£10,000 – £24,999	1.75	1.51	1.40
£1 – £9,999	0.10	0.10	0.08

The rates in the table above include an introductory conditional bonus equivalent to 1.00% gross p.a. (0.8% net p.a.) and a conditional bonus equivalent to 0.25% gross p.a. (0.20% net p.a.). These bonuses are available on accounts opened between 12 July 2010 and 22 October 2010. These bonuses are payable for the first nine months from account opening where a minimum balance of £10,000 is maintained during this time.

Your bonus interest will be paid monthly for nine consecutive months (along with the standard interest payment) starting on the 16th day of the month after the month in which you open your account.

Following the nine month period, a conditional bonus equivalent to 0.25% gross p.a. (0.20% net p.a.) will be payable with your monthly interest provided you meet the conditions detailed under the table *Including 0.25% conditional bonus*. In any month where these conditions are not met, the rates shown in the table *Excluding conditional bonus* will apply.

### 3. Royalties Private

Amount held in account	Gross Rate %	AER %	Net Rate %
£10,000 +	0.60	0.60	0.48
£5,000 – £9,999	0.40	0.40	0.32
£2,500 – £4,999	0.25	0.25	0.20
£1 – £2,499	0.25	0.25	0.20

### 4. Private Bank Account

The Private Bank Account does not pay interest on credit balances.

#### 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 send 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 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	The Herald
The Scotsman	The Press & Journal
Daily Record	

If we notify you by press advertisements, we will also advertise the changes on our website [www.rbs.co.uk](http://www.rbs.co.uk) 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*.

Summary Box – Key Information for our Savings Accounts		
Account Name	Royalties Private Saver	Private Banking Deposit Account
Interest Rate (AERs)	Enclosed	
Tax Status	Interest is paid after the deduction of 20% tax	Interest is paid after the deduction of 20% tax
Conditions for bonus payment	A 0.25% bonus is paid monthly if no withdrawals are made in that month and a minimum balance of £10,000 is maintained. For limited edition bonus rates see page 4.	N/A
Withdrawal arrangements	Instant Access	
Access	Branch, Telephone or Internet	

## 6. Interest due on arranged overdrafts

### Royalties Private 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*.

Type of account	Interest free thresholds
Royalties Private	£500
Private Bank Account	£500

Type of account	Nominal monthly rate %	Nominal annual rate %	EAR%
<b>Royalties Private</b>			
All Amounts	1.16	13.96	14.89
<b>Private Bank Account</b>			
All Amounts	1.49	17.94	19.49

### 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 16 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	The Scotsman
Daily Record	The Herald
The Press & Journal	

If we notify you by press advertisements, we will also advertise the changes on our website [www.rbs.co.uk](http://www.rbs.co.uk) and, where the alteration applies to branch based accounts, by branch notices.

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

### Royalties Private and Private Bank Account

The charges shown in this section do not normally apply to the other accounts we offer to Private Banking customers. However, we sometimes allow our other 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.

#### Arranged overdrafts – arrangement and renewal fees

Arranged overdrafts less than £15,000	
– arrangement and renewal fee	Free
Arranged overdrafts of £15,000 or more	
– arrangement fee	2% of amount
– annual renewal fee	1% of amount

#### Account switching service – interest free overdraft

If your account is a Royalties Private or Private Bank Account and you intend to take advantage of, or have taken advantage of, our switching service, then there will be an interest free period on the overdraft. This means that, during the interest free period you will not pay any interest on any amounts overdrawn on the account. The interest free period will start once we process your transfer of account instructions and will end six months after your account is opened.

The overdraft confirmation information we will issue to you after we have agreed to provide the overdraft will contain a Total Cost of Credit amount. Under the Consumer Credit Act we are required to provide you with details of the cost of credit covering a period of three months based on the whole overdraft facility being drawn in full over that period.

When we calculate the Total Cost of Credit, we will use the interest rate that applies to the overdraft at the time the facility is agreed. Please note that where we have not yet processed your transfer of account instructions when the overdraft is agreed, the rate used in the calculation will be the rate that will apply when the interest free period ends. The Total Cost of Credit amount is illustrative only and the actual cost will depend on your use of the overdraft, which will include the interest free period you may enjoy.

#### 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

16 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

16 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).**

## Enforcement Charges

### Enforcement

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.

### When charged

Within four days of the Default Notice being served.

### Fee amount

£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
<b>Transactions in the UK</b>	
Cash withdrawals in sterling: <ul style="list-style-type: none"> <li>at a UK cash machine (ATM)</li> <li>in any UK Royal Bank of Scotland branch</li> <li>at any Royal Bank of Scotland branch on the Channel Islands, Isle of Man or Gibraltar</li> <li>using your Visa Debit card in any other bank, travel agent, bureau de change or other outlet displaying the Visa logo</li> </ul>	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**: <ul style="list-style-type: none"> <li>in any Royal Bank of Scotland branch</li> <li>in any other bank, travel agent, bureau de change or other outlet displaying the Visa logo</li> </ul>	No charge 1.5% (minimum £2, maximum £4.50)
Foreign currency withdrawal from cash machines	2% (minimum £2, maximum £5)
<b>Transactions abroad</b>	
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 and Travel Money

We don't believe in hidden charges. That's why we've put together this helpful guide to some of the most common additional services we provide.

### Additional services

Providing a balance or interest certificate	<b>No charge</b>
Cashing a cheque issued on us	<b>No charge</b>
Cashing a cheque issued on other banks Applies to non-Royal Bank of Scotland customers only.	<b>£5 (some exceptions apply)</b>
Issuing a UK bank draft (sterling) A special form of cheque that we can issue you which guarantees payment.	<b>£10</b>
Stopping a cheque When you wish to cancel a cheque that you have issued (but we will not charge you for cancelling lost or stolen cheques).	<b>£10</b>
Special presentation of a cheque A cheque made payable to you can be specially presented by post to confirm quickly (generally the following day) that it will be paid.	<b>£15</b>
Charge for court orders/legal processes served on the Bank brought on by a 3rd party against a customer (Scotland only)  For example, when a court order brought about by a third party against you, forces us to freeze your account.	<b>£25 (minimum)</b>
Same day electronic transfer We can arrange same day electronic transfer of funds (CHAPS) between bank accounts in the UK.	<b>£20</b>

Providing copies of paid cheques This charge also applies to providing details of paid cheques.	<b>£5 for each cheque (maximum of £150)</b>
Providing copies of statements When you require a copy of a previously issued statement.	<b>£5 for each request</b>
Replacing lost or damaged cards	<b>£5</b>
Return of dividend counterfoils When we are required to forward dividend counterfoils to you.	<b>£2 for each mailing</b>
Details of Visa Debit or Maestro Payments On your request, we can provide documentation of Visa Debit or Maestro payments.	<b>£5 for each item</b>
Bankers reference When a third party requests our opinion on your financial status.	<b>£10 for each request</b>
Emergency Cash Service When we allow you to withdraw cash from an ATM after reporting your card lost or stolen.	<b>Any fees payable will be advised at the time.</b>

## 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 detailed above are inclusive of VAT.

## Travel money

Buying travellers' cheques in sterling	1% of value (minimum £3, maximum £50)
Buying travellers' cheques in foreign currency	No charge
Cashing travellers' cheques in sterling	No charge
Cashing travellers' cheques in foreign currency	No charge
Buying foreign currency	No charge
Cashing foreign currency	No charge

## Payment of charges

All charges are payable from the time the service is provided, and are subject to review.

## Other services

We also provide a number of other useful services, including stock exchange transactions and international services. For more details of these and any related charges, please ask your Private Banking Manager.

## 10. Interest on credit balances – taxation

In most instances, interest is paid after the 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 your Private Banking Manager for further information.

The Royal Bank of Scotland plc is a member of the Royal Bank of Scotland Group of companies.

Calls may be recorded.

The Royal Bank of Scotland plc  
Registered Office: 36 St. Andrew Square, Edinburgh EH2 2YB  
Registered in Scotland No. 90312