



A stockmarket-linked growth plan
Offering accumulating growth potential
Including an 'auto-call' early closure feature
And protection from a defined level of stockmarket risk

The counterparty providing the securities for this plan is Rabobank
Capital invested is at risk – and may be lost in part or in full

Capital Accumulator Auto-Call Plan – Dual Index Series V



www.bluesky-am.com

Account Manager: Reyker Securities plc

Blue Sky Asset Management

Capital Accumulator Auto-Call Plan – Dual Index Series V

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● Understanding Counterparties

Structured investments provide investors with the opportunity to invest in stockmarkets and other asset classes with pre-defined investment risk and returns potential. Investing with the benefit of known levels of investment risk appeals to many investors - and provides innovative alternatives and/or complements to traditional investment funds.

A key risk borne by investors in structured investments, however, is 'counterparty risk'. Counterparties are the institutions that provide the securities that deliver the investment returns, including repayment of capital, of structured investments. Understanding the role and relevance of counterparties is therefore essential for investors considering structured investment Plans.

Blue Sky Asset Management provides a 'Guide to Understanding Counterparties', which offers an overview of potential considerations for prospective investors in structured investment Plans. The Guide is freely available upon request - and can be downloaded from www.bluesky-am.com.

● Key Dates

Offer Opening Date	27/01/2010
Closing date : ISA Transfers	12/02/2010
Closing date : ISAs & Direct Investments	01/03/2010
Strike (start) Date	05/03/2010
Maturity Date	07/03/2016
Repayment Date	21/03/2016

● Target Audience

Blue Sky Asset Management aims to create innovative structured investments for professionally advised investors. The Capital Accumulator Auto-Call Plan – Dual Index Series V is designed for advised investors who are seeking a stockmarket linked growth plan, who understand and accept the risks to capital involved and who are investing as part of a balanced and diversified investment portfolio.

● Limited Offer

This is a strictly limited offer. Prospective investors should note that the offer may close early, at any time, in advance of the stated closing date of 1 March 2010. If the Plan is over-subscribed, investments will be subscribed on a 'first come/first served' basis. In the event of market movements affecting the pricing of the underlying Plan assets, Blue Sky Asset Management will endeavour to accommodate all subscriptions prior to closing the Plan, but may return subscriptions to investors as stated in 'Your questions answered'.

● Consult a Professional Adviser

Blue Sky Asset Management encourages investors to make intelligent investment decisions. We believe that professionally advised investors make better investment decisions - and we therefore provide our Plans through independent wealth management firms, who are responsible for selecting suitable investments to meet precise investor needs and interests, taking into account issues such as portfolio diversification and tax. We recommend investors discuss their investment needs with an independent Professional Adviser before investing in this Plan.

Introducing the Capital Accumulator Auto-Call Plan – Dual Index Series V

The Capital Accumulator Auto-call Plan – Dual Index Series V offers investors an innovative alternative to traditional investment funds and a compelling solution for the current economic and investment environment. The Plan is designed to provide accumulating growth potential, that is triggered early automatically, from Year-2, if the UK's FTSE® 100 Index and the US's S&P 500 Index, are simply at or above their starting levels, at any anniversary. No growth in either Index is required. In addition, the Plan includes protection from stockmarket falls – unless either or both of the Indices falls by more than 50% during the investment term, and at least one Index remains below its starting level at maturity.

What the Plan Offers

- **An Accumulating Growth Plan linked to the FTSE® 100 and S&P 500 Indices**
- **Counterparty : Rabobank (rated AAA by Standard & Poor's)**
- **Protection From A Defined Level of Stockmarket Risk unless either Index falls by more than 50% during the investment term**
- **A 6-Year Investment Term with an automatic 'Auto-Call' early closure feature : from Year-2**
- **19% Growth Potential at Year-2 accumulating by 9.5% every 12 months thereafter**
- **No Stockmarket Growth Required**
- **Returns Assessed As Capital Gains**

POTENTIAL AUTO-CALL PAYMENT	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
	19%	28.5%	38%	47.5%	57%

The Key Risks

It is important that prospective investors understand that the repayment of capital depends upon the solvency of the counterparty, Rabobank, during the investment term, and is linked to the performance of the FTSE® 100 and S&P 500 Indices. **Capital invested is at risk – and may be lost in part or in full in the event of the insolvency of Rabobank, or if either or both of the Indices breaches the protection level of the Plan.** We would specifically draw attention to these key risks, which are explained in detail on page 7, in the 'Key Risks' section. 'Additional Important Risk Factors' are detailed on page 8.

- **Counterparty Risk if Rabobank should default, eg become insolvent, capital is at risk**
- **Stockmarket Risk if either or both of the Indices falls by more than 50%, capital is at risk**

Compensation Scheme Rules

It should be understood that the Financial Services Compensation Scheme (FSCS) does not cover performance related issues, in respect of investments, which means that counterparty default, ie the insolvency of Rabobank, or significant falls in either or both of the Indices and a breach of the protection level, would not result in compensation being available through the FSCS.

Please read this brochure carefully

Before you invest please read this brochure carefully and consider whether this Plan is suitable for you. We believe the returns offered are attractive, however, please be aware that capital is not guaranteed, or instantly accessible, as with a bank or building society account – risk factors related to liquidity are explained on page 8. You should only consider this Plan if you understand it and accept the potential risks to capital. We recommend that all investors use an independent Professional Adviser, especially if there is any doubt about any aspect of the Plan or its suitability for individual circumstances. All information and statements made in this Plan literature are believed to be correct as at the Offer Opening Date.

The Capital Accumulator Auto-Call Plan – Dual Index Series V

The Capital Accumulator Auto-Call Plan – Dual Index Series V has been designed to provide investors with an innovative growth strategy, in an uncertain investment environment.

The Plan provides growth potential, with an automatic early closure feature at the 2nd anniversary, that requires no stockmarket growth – with accumulating growth potential in subsequent years.

The Plan also includes protection from stockmarket falls – but capital is at risk if either or both of the Indices falls by more than 50% during the investment term, and at least one Index remains below its starting level at maturity.

Investment Rationale

Blue Sky Asset Management does not offer any form of investment advice – and we recommend investors discuss the investment rationale of the Capital Accumulator Auto-Call Plan – Dual Index Series V with their Professional Adviser – however, we believe the Plan provides an innovative response to the prevailing economic and stockmarket backdrop.

Whilst certain economic data - and stockmarket performance recently – has been seen as encouraging by many commentators, indicating possible ‘green shoots’ of recovery, many investors still regard the overall investment picture as challenging.

Interest rates are at historically low levels – and may remain lower than is expected for longer, reflecting the continuing economic difficulties.

At the same time, whilst major stockmarkets rallied in 2009, equity and other asset class volatility has been high. This investment backdrop means that returns for investors have been uncertain and unpredictable.

It is also possible that the recent rallies could mean markets are now ahead of the economic news – raising concerns about short term risk, possible consolidation and further volatility.

An Innovative Response To The Economic Environment And Market Conditions

With interest rates at low levels and high volatility prevailing in equity markets and other asset classes it would seem sensible to acknowledge that the strong investment returns of recent years may be more difficult to achieve in the foreseeable future.

Within this environment, many investors may find it challenging to confidently identify solid investment strategies – and many are evidently concerned about the viability of traditional investment funds and the skills and abilities of active fund managers to consistently deliver positive performance.

The Capital Accumulator Auto-Call Plan – Dual Index Series V provides an innovative and compelling alternative and/or complement to traditional investment funds – and is an investment that is specifically designed for an uncertain investment environment.

How The Plan Works

The Capital Accumulator Auto-Call Plan – Dual Index Series V Plan is a 6-Year investment, linked to the UK's FTSE® 100 and the US's S&P 500 Indices. The Plan is designed with an automatic early closure feature, offering growth potential at Year-2 – with accumulating growth potential thereafter.

The potential growth payments of the Plan are defined ‘by formula’, without any active investment management, through the securities provided by the counterparty, Rabobank. Please see Page 5 for more information.

Growth Potential Requiring No Stockmarket Growth

Whilst the Plan is linked to the FTSE® 100 and S&P 500 Indices, the features of the Plan have been designed to generate investment returns without any growth in the Indices being required.

The table on page 4 details the potential returns of the Plan and how the ‘Auto-Call’ early closure feature works. Growth of 9.5% is accumulated for each year that the Plan is active, with the first ‘Auto-Call’ at Year-2 therefore offering 19% growth potential. This will be payable if both of the Indices are at or above their starting levels.

The ‘Auto-Call’ Early Closure Feature

If either or both of the Indices are below their starting levels at Year-2, the Plan will continue, accumulating 9.5% further growth potential per year, with the same Indices condition applied at each subsequent anniversary.

The Plan will close early automatically, ensuring full repayment of capital plus accumulated growth, at the first ‘Auto-Call’ trigger point, from Year-2, where both the FTSE® 100 and the S&P 500 Indices are equal to or above their starting levels. No growth in the Indices is required.

At Maturity

If the Plan does not ‘Auto-Call’ during the investment term it will continue to run until its full maturity date, at Year-6.

At maturity, the accumulated growth payment potential of the Plan is 57%, which is payable subject to the same condition that applies to the ‘Auto-Call’ points throughout the investment term, ie both of the Indices must be at or above their starting levels to trigger the payment.

Protection From A Defined Level Of Stockmarket Risk, At Maturity

The Plan is designed with four opportunities to close early. However, if ‘Auto-Call’ is not triggered, the Plan provides investors with protection from stockmarket falls at maturity – unless either or both of the Indices has fallen by more than 50% during the investment term.

Capital is at risk in the event that either or both of the Indices has fallen by more than 50%, and if either or both of the Indices remain below their starting levels at maturity, it will be reduced in line with the worst performing Index, on a 1-for-1 basis. Please see page 6 for further explanation of the stockmarket risk.

How The Plan Works – continued

Whilst the Capital Accumulator Auto-call Plan – Dual Index Series V Plan has a 6-Year investment term, it has 4 'Auto-Call' opportunities to close early from Year-2 – subject to both of the Indices being at or above their starting levels at one of the anniversary points.

The following table details how the returns of the Plan will be determined.

	IF NOT 'AUTO-CALLED' AT YEAR 2	IF NOT 'AUTO-CALLED' AT YEAR 3	IF NOT 'AUTO-CALLED' AT YEAR 4	IF NOT 'AUTO-CALLED' AT YEAR 5
YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1st 'Auto-Call' Trigger	2nd 'Auto-Call' Trigger	3rd 'Auto-Call' Trigger	4th 'Auto-Call' Trigger	5th 'Auto-Call' Trigger
If both the FTSE® 100 and S&P 500 Indices are at or above their starting levels	If both the FTSE® 100 and S&P 500 Indices are at or above their starting levels	If both the FTSE® 100 and S&P 500 Indices are at or above their starting levels	If both the FTSE® 100 and S&P 500 Indices are at or above their starting levels	If both the FTSE® 100 and S&P 500 Indices are at or above their starting levels
19% AUTO-CALL FIXED RETURN	28.5% AUTO-CALL FIXED RETURN	38% AUTO-CALL FIXED RETURN	47.5% AUTO-CALL FIXED RETURN	57% AT MATURITY FIXED RETURN
Early Closure	Early Closure	Early Closure	Early Closure	Maturity*

* See page 3 "At Maturity" and "Protection From A Defined Level Of Stockmarket Risk, At Maturity" sections.

Investment Considerations

The Capital Accumulator Auto-call Plan – Dual Index Series V Plan has been designed to offer investors growth potential with an automatic early closure feature. However, investors should note that the 'Auto-Call' feature and repayment of capital at maturity are linked to the performance of the FTSE® 100 and S&P 500 Indices. Returns will only be generated by the Plan if both of the Indices are at or above their starting levels at one of the 'Auto-Call' points, or at maturity.

Should there be any doubt about any aspect of the Plan or its suitability for individual circumstances prospective investors should consult an independent Professional Adviser.

Understanding The Capital Accumulator Auto-Call Plan – Dual Index Series V

How Capital Is Invested

The Capital Accumulator Auto-Call Plan – Dual Index Series V is invested in securities similar to corporate bonds, issued by Rabobank, known as the counterparty. These securities provide the stated investment features of the Plan, including the potential Auto-Call growth payments and repayment of capital at maturity. The Plan therefore depends upon the solvency of Rabobank at all times during the investment term – however the investment terms are defined and fixed at the outset and there is no active investment management. This means that investors know before investing exactly what growth potential is provided and the extent of potential investment risk that is presented by the Plan.

Who Is The Counterparty For The Plan?

The counterparty for the Capital Accumulator Auto-Call Plan – Dual Index Series V is Rabobank. It should be understood that the Plan depends upon the solvency of Rabobank at all times. Please see page 7 for further information regarding the counterparty and counterparty risk.

Investment Aims

The Capital Accumulator Auto-Call Plan – Dual Index Series V is a 6-Year Plan designed to offer investors growth potential linked to the UK's FTSE® 100 and the US's S&P 500 Indices, with an automatic early closure feature applying during the investment term.

The Plan accumulates 9.5% growth potential for every 12 months that the Plan is open, which is paid if the 'Auto-Call' feature of the Plan is triggered during the investment term. This is explained under **"Growth Potential Requiring No Stockmarket Growth"**, on page 3.

If both the FTSE 100 and S&P 500 Indices are at or above their starting levels, at any anniversary from Year-2, the Plan will 'Auto-Call', ie close early, when it will deliver the accumulated growth payment of 19% at Year-2, 28.5% at Year-3, 38% at Year-4 or 47.5% at Year-5. This is explained under **"The 'Auto-Call' Early Closure Feature"** on page 3.

If the Plan does not 'Auto-Call' during the investment term, it will run until the full maturity date. At maturity, if both of the Indices are at or above their starting levels the potential accumulated growth payment is 57%. This is explained under the heading **"At Maturity"** on page 3.

If the Plan does not 'Auto-Call' during the investment term and either or both of the Indices has fallen by more than 50% during the investment term, and at least one Index remains below its starting level, the Plan will not pay any growth or repay capital in full. This is explained under the heading **"Stockmarket Risk to Capital"** below.

Protection From A Defined Level Of Stockmarket Risk

The Plan provides protection from a defined level of stockmarket risk that ensures an investor's capital is protected, unless either or both of the FTSE® 100 and S&P 500 Indices falls by more than 50%, from their starting levels, at any market close, during the investment term. This provides an exceptional level of protection for investors, as opposed to investing in traditional investment funds or the stockmarket directly.

Protection is provided at maturity only and does not apply upon early redemption by investors during the investment term.

Stockmarket Risk to Capital

However, capital is at risk if either or both of the FTSE® 100 and S&P 500 Indices has closed below 50% of their starting levels during the investment term and at least one Index remains below its starting level at maturity. If this is the case, the Plan will not repay capital in full and investors will lose capital, on a 1-for-1 basis, in line with the performance of the worst performing Index. This stockmarket risk is explained in more detail on pages 6 and 7.

Charges

The returns of the Capital Accumulator Auto-Call Plan – Dual Index Series V are stated after allowing for any charges, including administration fees and expenses, and any commissions. This means that there are no direct deductions from an investor's capital and 100% of any investment made will benefit from the growth potential and defined level of protection from stockmarket risk provided. Internal charges are not expected to exceed 5.5%.

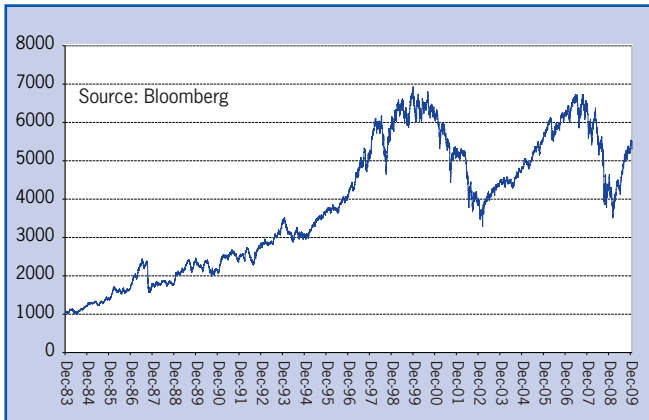
Direct charges are only applied in respect of cancellations, early redemptions or transfers.

The Capital Accumulator Auto-Call Plan – Dual Index Series V Is Linked To The FTSE® 100 Index and S&P 500 Index

The Capital Accumulator Auto-Call Plan – Dual Index Series V is linked to the UK's FTSE® 100 and the US's S&P 500 Indices. Whilst the Plan does not invest directly into the Indices, or the companies that the Indices represent, the 'Auto-Call' growth potential of the Plan and repayment of capital at maturity are determined by the performance of the Indices, during the investment term.

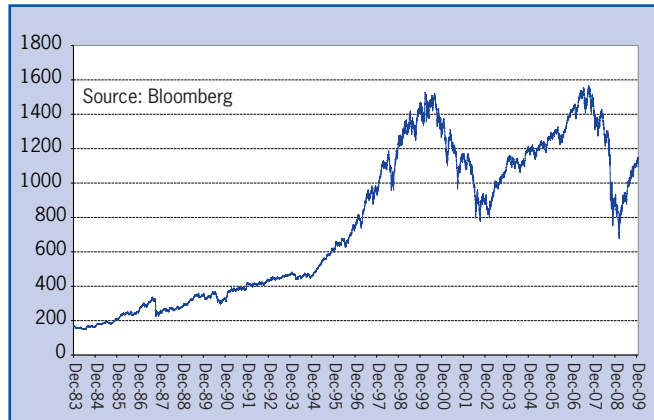
The FTSE® 100 Index

The FTSE® 100 Index was launched in January 1984. The Index reflects the performance of the 100 largest UK-domiciled 'blue chip' companies that are listed on the UK's London Stock Exchange. The Index is calculated and published by FTSE International Limited.



The S&P 500 Index

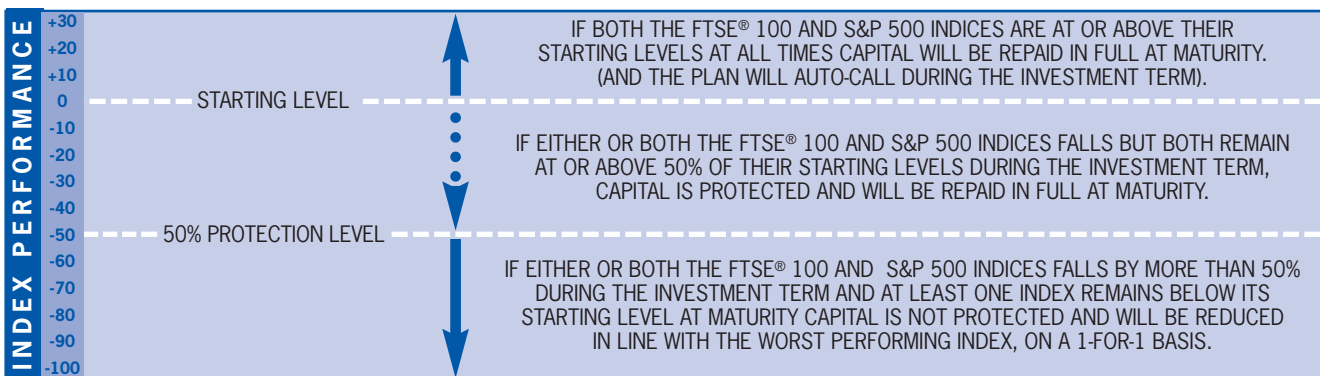
The S&P 500 Index was first published in 1957. The Index reflects the performance of the 500 leading listed 'large-cap' companies in the major industries and sectors in the US economy. The Index captures c.75% coverage of the US stock market. The index is calculated and published by Standard & Poor's.



It is important that prospective investors understand that both the FTSE® 100 and the S&P 500 Indices can rise or fall – and that past performance should not be seen as an indication of future performance. Both the FTSE® 100 and S&P 500 Indices are price Indices and exclude dividends.

Understanding The Stockmarket Risk To Capital

The following diagram explains the protection from stockmarket risk that the Plan provides whilst also highlighting the risk to capital that exists, if the stockmarket should have fallen by more than 50% at any market close during the investment term.



It should be noted that the stockmarket protection feature of the Capital Accumulator Auto-Call Plan – Dual Index Series V only applies at maturity.

Consider The Risk And Return Profile Of The Plan

The Capital Accumulator Auto-Call Plan – Dual Index Series V provides an innovative growth strategy for investors. Capital is at risk, but protection from a defined level of stockmarket risk is provided, that allows the FTSE® 100 and S&P 500 Indices to fall by up to 50% from their starting levels, at any market close, during the investment term. If either or both of the Indices falls by more than 50% and at least one Index remains below its starting level at maturity capital will be reduced in line with the performance of the worst performing Index, on a 1-for-1 basis.

Prospective investors must ensure they understand and accept the stockmarket risk that is associated with investing in the Plan.

KEY RISKS

An investment in the Capital Accumulator Auto-Call Plan – Dual Index Series V exposes investors' capital to risk. Careful consideration should be given to the risks of the Plan. In particular, it is important that prospective investors understand and accept that there is both 'Counterparty Risk' and 'Stockmarket Risk' when investing in the Plan. 'Additional Important Risk Factors' are also highlighted on page 8.

Counterparty Risk

As for most structured investments, the Capital Accumulator Auto-Call Plan – Dual Index Series V depends upon the solvency of the financial institution, known as 'the counterparty', that is providing the securities that the Plan is based upon. A key risk borne by investors in the Plan is that of the counterparty failing during the investment term (for instance through insolvency, such as bankruptcy, administration or liquidation) and defaulting upon their obligations (ie not making payments due and/or failing to repay their debts) which may put all or part of an investors' capital and any growth potential at risk. This is known as the 'counterparty risk'.

The Counterparty For The Capital Accumulator Auto-Call Plan – Dual Index Series V Is Rabobank

The specific securities utilised by the Plan are Warrants, which are similar to corporate bonds ('bonds'), issued by Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. ("Rabobank") and listed on the Luxembourg Stock Exchange. Rabobank must meet the terms of the bonds that they issue - and the reasons that they might fail to do so would include insolvency, e.g. bankruptcy. Usually the likelihood of a major financial institution failing to be able to meet, or honour, its commitments in this way can be considered small – but the risk must be understood by investors.

Credit ratings, which are provided by independent agencies, such as Standard & Poor's, are a recognised way of assessing the financial strength of an institution, ie measuring their 'creditworthiness'. Credit ratings are normally in the form of letter designations, such as AAA, A+, BB, C, etc, with the strongest possible rating being AAA, falling to D for weaker institutions.

Rabobank has a Standard & Poor's credit rating of 'AAA', with a 'negative outlook' (which means that a rating may be lowered in the short to medium term – circa 6 months to 2 years – although it is not necessarily a precursor to a ratings change), as at the Offer Opening Date for the Capital Accumulator Auto-Call Plan – Dual Index Series V (though it may change at any point during the investment term, including during the offer period). This credit rating indicates that Standard & Poor's considers Rabobank's capacity to meet its financial commitments to be extremely strong.

It should, however, be noted that a credit rating is a ratings agency opinion of an issuer's financial capacity (its credit worthiness) to meet its financial commitments - but it does not apply to any specific financial obligation. It is not, therefore, a comment on or implied suitability for any particular Plan, for any particular investor.

It should also be noted that the terms of the bonds may permit Rabobank to withhold, defer, reduce or even terminate payments, as a result of certain events, or 'extraordinary circumstances', such as market disruption, adjustments to the Index or changes to tax or regulation, which may mean investors receive less than they would otherwise or that they have to wait to receive the proceeds of the Plan.

The Plan assets (ie the bonds) are held by the Account Manager, Reyker Securities plc, on behalf of investors during the investment term. Investors will not have any direct legal interest in the securities or any direct rights against Rabobank, in the event that Rabobank defaults or becomes insolvent.

In the event of Rabobank's credit rating being downgraded by Standard & Poor's (or a similarly recognised rating agency such as Moody's or Fitch Ratings), during the offer period, Reyker Securities plc may substitute Rabobank and/or the securities with alternatives with similar characteristics.

Stockmarket Risk

The Capital Accumulator Auto-Call Plan – Dual Index Series V is designed to provide investors with potential growth and repayment of capital at maturity. However, the Plan is linked to the performance of the FTSE® 100 and S&P 500 Indices and if either or both of the Indices falls by more than 50%, at any market close, during the investment term, and at least one Index remains below its starting level at maturity, capital is at risk and will be lost on a 1% for 1% basis, in line with the performance of the worst performing Index.

The Plan is a 'Structured Capital at Risk Product' as categorised by the Financial Services Authority (FSA). For information about what this means, please refer to the FSA website at www.moneymadeclear.fsa.gov.uk, which includes details on structured products.

It should also be understood that the growth payments and 'Auto-Call' early closure of the Plan are dependent upon the FTSE® 100 and S&P 500 Indices, from Year-2, as detailed under "The Growth Payments of the Plan" on page 3. No growth will be paid by the Plan if either or both of the Indices is below its starting level at each 'Auto-Call' anniversary throughout the investment term and at maturity.

Please see page 6 for information explaining the stockmarket risk in more detail.

Capital Invested In The Plan Is At Risk – And May Be Lost In Part Or In Full

Compensation Scheme Rules

It should be noted that the Financial Services Compensation Scheme (FSCS) rules do not cover performance related issues. Unlike deposit accounts, in the event of Rabobank failing during the investment term (for instance through insolvency) and defaulting upon their obligations (for instance by not repaying the bonds that the Plan is based upon), or if either or both of the Indices should have fallen by more than 50% during the investment term, resulting in capital losses at maturity, FSCS protection would not apply.

ADDITIONAL IMPORTANT RISK FACTORS

In addition to the 'Key Risks' detailed on page 7, prospective investors should also consider, understand and accept the following 'Additional Important Risk Factors'.

Liquidity Risk – Limited Access To Capital During The Investment Term

The Plan is not the same as bank or building society accounts where capital is guaranteed and, with instant access accounts, readily available without penalty. The Plan is designed to be held until maturity (unless it is 'Auto-Called') and, although access during the investment term is possible, it should be noted that the full return of capital is not assured. The early redemption value during the investment term will depend upon a number of factors (including internal charges, market movement, interest rates, market conditions, such as volatility and credit spreads) which are likely to result in a capital loss, particularly in the early years.

The Plan is designed to provide twice monthly liquidity, ie access to capital before maturity. Rabobank intends to provide a market to facilitate early redemption by investors, through which they will buy the bonds that the Plan invests in at the middle and end of each month, at their assessment of the prevailing value, less a spread. There is no guarantee that Rabobank will continue to offer this liquidity or with regard to the spread that Rabobank may apply.

Investors should also consider the potential impact on these liquidity factors during distressed market conditions, when the prevailing value is likely to be lower than usual, in the event that they may need or want to redeem early in such circumstances.

Changing Circumstances – Including Cancellation Rights

Prospective investors should consider their circumstances carefully and bear in mind that they could change during the investment term, forcing or influencing an investor to need to sell the Plan early. If this happens it is likely that less than the amount originally invested may be returned, particularly in the early years.

If an investor exercises their right to cancel the Plan, within 14 days of investing, if this is after the start date (the date upon which the Plan securities are purchased) the value of the Plan is likely to be less than the amount invested resulting in a capital loss. It should also be noted that if the investment made was an ISA it may not be possible to invest in another ISA in the same tax year.

On early redemption during the investment term, the value of the Plan will be determined by the price at which the bonds can actually be sold to Rabobank. It is not possible for investors to claim full reimbursement of the amount invested if the price at which the bonds can be sold is less than the price at which they were purchased (see Liquidity Risk above for further details).

Reinvestment And Replanning

Although the Plan has an investment term of 6-Years, the 'Auto-Call' feature means that the Plan will close early before the full maturity date if both of the Indices are at or above their starting levels at any 'Auto-Call' trigger point from Year-2. Investors should note that if the Plan does close early they may need to seek advice on the reinvestment of their capital, which may incur costs or fees, and it may not be possible to reinvest in a Plan with the same features.

Plan Returns Are Linked To The FTSE® 100 and S&P 500 Indices – But May Be Higher or Lower

Whilst the Plan is linked to the FTSE® 100 and S&P 500 Indices the returns of the Plan will be different – and may be higher or lower – than the returns that might be achieved from investing directly in either or both of the Indices, over the same period.

Company Dividends Are Not Included In Calculating The FTSE® 100 and S&P 500 Indices

The Plan provides a defined level of growth potential only - there is no participation in dividends linked to the stocks that comprise the FTSE® 100 and S&P 500 Indices.

The Effect Of Inflation

It should be remembered that the value of any capital invested in the Plan and any growth payments provided by it may be less in real terms in the future and/or at maturity, based upon the effect of inflation.

Tax Legislation

It should be noted that tax assumptions are based on our understanding of current legislation and practice at the time of print. The levels and basis of taxation and reliefs from taxation can change at any time and changes can be applied retrospectively. The value of any tax relief depends on individual circumstances. For tax advice, prospective investors should consult Professional Advisers.

Past Performance Is NOT A Guide To Future Performance

Past performance is NOT a guide to future performance and should not be used to assess the risks associated with an investment in the Plan. The FTSE® 100 and S&P 500 Indices can fall as well as rise.

Consider Whether This Plan Is Suitable

Blue Sky Asset Management aims to present professionally advised investors with innovative investment options. Blue Sky Asset Management does not, however, offer any form of advice to investors regarding the suitability of our Plans – and we highlight that structured investments are not suitable for everyone. Blue Sky Asset Management always recommends prospective investors take independent Professional Advice before investing in our Plans.

It is important that prospective investors consider the features of the Capital Accumulator Auto-Call Plan – Dual Index Series V carefully, in particular the risks and terms and conditions that apply, before they invest. The list below details some general points that may help highlight whether an investment in the Plan might be appropriate or suitable, based on individual circumstances. All prospective investors should consider their own individual circumstances carefully to assess the suitability of the Plan – including the need to diversify their investments, to achieve a sensibly balanced investment portfolio.

Suitability Depends Upon An Investors' Individual Circumstances And Attitude To Risk

This Plan May Be Suitable If Investors ...

- Are taking advice from an independent Professional Adviser.
- Do not expect to need access to the funds invested before maturity in 2016.
- Have sufficient funds available for emergencies.
- Are investing as part of a sensibly diversified investment portfolio.
- Want a growth investment linked to the UK and US stockmarkets, with no active investment management.
- Want a 'structured' investment, with returns delivered by bonds, issued by a single institution.
- Understand the features of the Plan, including how the growth potential is determined and that the Plan may close early.
- Understand and accept that capital invested is at risk – and may be lost in part or in full.

This Plan May Not Be Suitable If Investors ...

- Are not taking advice from an independent Professional Adviser.
- May need access to funds invested before maturity in 2016.
- Do not have sufficient funds available for emergencies.
- Are investing an excessive proportion of their investment portfolio into the Plan.
- Already have significant exposure to Rabobank and/or the UK and US stockmarkets.
- Want to receive income or do not want a growth investment linked to the UK and US stockmarkets.
- May want to change their investment strategy during the investment term.
- Do not understand the features of the Plan, including that it may close early or how the growth potential is determined.
- Are not prepared to expose their capital to any risk, including counterparty, stockmarket and liquidity risk.

'Self-Directed' Investors - Not Receiving Investment Advice

Blue Sky Asset Management recommends investors take independent professional advice. For investors not taking or receiving advice from a Professional Adviser before investing in this Plan, Blue Sky Asset Management and the Account Manager, Reyker Securities plc, are required to establish whether the Plan is appropriate. In order to do so, a number of questions are asked on the application form (in the 'appropriateness' section) - these must be completed in order for non-advised applications to be accepted.

General Considerations

As with all structured investments, prospective investors in the Capital Accumulator Auto-Call Plan – Dual Index Series V need to understand and assess the levels and type of any risks to capital and the likelihood of successful investment returns.

Prospective investors should also consider how to utilise the Capital Accumulator Auto-Call Plan – Dual Index Series V in a balanced portfolio approach, that aligns an investment in the Plan with other investment options.

Two general points are worth highlighting:

Quality : Higher headline rates on structured products can be achieved by providers who utilise (or are internally linked to) weaker counterparties - but investors should understand that high headline rates do not necessarily equate to the best investment value (and are likely to involve greater risk).

Diversification : As with any type of investment, prudent investors should diversify their portfolios - which in terms of structured investments means considering the underlying counterparty and investment strategy, and limiting, or diversifying, exposure to or over reliance upon any single counterparty or investment approach.

How to Invest in the Plan

If the Capital Accumulator Auto-Call Plan – Dual Index Series V brochure has been read, and the features, risks, terms and conditions of the Plan are understood, and the Plan is considered suitable, there are various ways to invest.

Direct Investments

Direct Investment can be made in the following ways:-

- **Individual investors:** Direct Investment by individual investors is possible. The returns provided by the Plan will be subject to capital gains tax*. The minimum investment is £10,000 - there is no upper limit to the amount that may be invested - subject to the capacity constraints of the Plan.
- **Pension Scheme Investors:** Direct Investment by pension schemes is possible, for instance through SIPP and SSAS schemes - subject to any restrictions imposed by the Pension Plan provider(s). As a permitted investment within a pension scheme any growth is free of tax*. The minimum investment is £10,000 - there is no upper limit to the amount that may be invested - subject to the capacity constraints of the Plan.
- **Corporate, Trustee and Charity Investors:** Direct Investment is also open to Corporate investors, including Partnerships, Trustees and Charities. The minimum investment is £10,000 - there is no upper limit to the amount that may be invested – subject to the capacity constraints of the Plan.

ISA Investments

Individual investors can utilise their 2009/10 ISA allowance to invest into the Plan. ISAs are free of any liability to tax for individuals*. Only Stocks and Shares ISA's are possible. The minimum ISA investment for investors born on or after 6 April 1960 is £7,200 per tax year - which is also the maximum ISA limit for each tax year. The maximum ISA limit for investors born on or before 5 April 1960 is £10,200. Couples can each invest, so a total investment of either £14,400 or £20,400 is possible depending on the age of investors.

ISA Transfers

Individual investors can also transfer existing ISAs into the Plan. All existing tax benefits are retained.* A transfer offers investors the opportunity to exchange poor performing or non capital protected funds for the growth potential and protection from the defined level of stock market risk provided by the Capital Accumulator Auto-Call Plan – Dual Index Series V. It is also possible to transfer Cash ISA holdings from previous tax years. The minimum transfer value is £7,200 - there is no upper limit on the total amount, as opposed to the limit imposed on new ISA investments - subject to the capacity constraints of the Plan.

*Please note the risk factor detailed on page 8, with regard to tax legislation.

About Blue Sky Asset Management

Blue Sky Asset Management is an award winning investment firm specialising in structured investments for retail and institutional investors. The firm was established in 2007 by a team of directors with industry leading experience, gained through senior positions held in major banking and global asset management institutions, at the forefront of the structured investment industry. Blue Sky Asset Management works closely in collaboration with leading global investment banks and institutions to design and develop innovative structured investment solutions. Industry awards gained by Blue Sky Asset Management include 'Best in UK', 'Best Research Process' and 'Most Useful Industry Website' for investors in the UK (The Financial Times, March 2009) – and, notably, the firm is recognised for its emphasis in championing client-centric structured investments based upon research backed investment quality, not sales quantity.



Best Research Process



Best Research Process

Your Questions Answered

Who are the parties involved in the Capital Accumulator Auto-Call Plan – Dual Index Series V?

Blue Sky Asset Management Limited is the Plan Promoter, responsible for designing, developing and marketing the Plan.

Reyker Securities plc is the Administrator and Account Manager for the Plan.

Rabobank is the Counterparty, responsible for providing the securities that the Plan is based upon.

Who can invest in the Plan?

Investors aged 18 or over can invest via the Direct Investment or ISA options. Investments can also be made through the Direct Investment option on behalf of a person under the age of 18.

Investments may also be made through Pension scheme arrangements, such as SIPPs, Trusts, Charities and by Corporate Investors.

What is the process for making an investment?

Before you invest you should read this Plan brochure carefully, including the Terms & Conditions, and ensure that you understand the benefits and the associated risks of this investment. If you are unsure of anything or are in any doubt about the suitability of the Plan for your individual circumstances we recommend that you take independent Professional Advice, for which you may incur fees.

If you consider the Plan to be suitable for your own individual circumstances, and are happy to proceed, complete and sign the relevant Application Form(s) and send this/these, with your cheque, to your Financial Adviser or to the Account Manager: Reyker Securities plc, 46 St James's Place, London SW1A 1NS.

There are three application forms, covering Direct Investments, Stocks and Shares ISA's and ISA Transfers from individual investors; Direct Investments from Pension or Trustee investors; and Direct Investments from Corporate Investors.

Please note that it is only necessary to send one cheque for the total amount being invested (e.g. one cheque can cover a Direct Investment and an ISA investment). Separate applications however (e.g. from a husband and wife), require two cheques, unless drawn on a joint account.

Cheques should be made payable to "Reyker Securities plc – BSAM Client Account". If your cheque is from a Building Society, it should reference your name. (For example "Reyker Securities plc – BSAM Client Account Reference J Smith").

What if I have further questions?

Should you have any questions regarding the Plan, please consult your Professional Adviser. If you do not have an adviser, you can find one at www.unbiased.co.uk. You can contact Blue Sky Asset Management with any questions you may have and you may also find further information on our website at www.bluesky-am.com, but please note that Blue Sky Asset Management is not able to provide any form of advice.

What is the latest date(s) for investing in the Plan?

The closing date for ISA Transfers is 12th February 2010.
The closing date for new ISAs is 1st March 2010.
The closing date for Direct Investments is 1st March 2010.

Applications must be received by 5.00pm on these dates and that subscriptions will only be invested upon receipt of a fully and accurately completed form. Please note that it is possible that the Plan will close early.

Is there any benefit in investing early?

Investors who make investments into the Plan early in the offer period minimise the risk of missing the offer, if it has to close early. Subscriptions that can not be accommodated in the Plan, will be returned to investors within 30 days.

What are the start and end dates for the Plan?

Strike/Start Date : 5th March 2010

Maturity Date : 7th March 2016

Repayment Date : 21st March 2016

At the end of the offer period, there is a short reconciliation period, after which the Account Manager purchases the underlying securities of the Plan. This purchase date is known as the 'Strike Date', or 'Start Date', of the Plan. At maturity following the repayment date, please allow 5 working days for the maturity proceeds to be credited to your bank account.

What is the underlying investment of the Plan?

The underlying investments of the Plan are Warrants, issued by Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank), listed on the Luxembourg Stock Exchange. These securities are similar to debt instruments, or bonds, issued by Rabobank, which have been specifically structured to match the investment objectives and fixed maturity of the Plan. In effect, an investment in the Plan is a loan to Rabobank, in exchange for the returns of the Plan.

Does the Plan depend upon the solvency of Rabobank?

YES. As for most structured products, repayment of capital and the payment of the returns of the Plan depend upon the solvency of the counterparty, ie Rabobank, that is responsible for providing the bonds that the Plan is based upon.

Rabobank have a Standard & Poor's credit rating of 'AAA', with a negative outlook, as at the Offer Opening Date – though it is possible that the rating may change at any point during the investment term, including during the offer period (it may improve or worsen).

Credit ratings are ratings agencies opinions of an issuer's overall financial capacity (its credit worthiness) to meet their financial obligations. These opinions focus on the issuer's capacity to meet their financial commitments as they come due. They do not apply to any specific financial obligation, as they do not take into account the nature of and provisions of any obligation, the standing in bankruptcy or liquidation, statutory preferences, or the legality and enforceability of the obligation. Credit ratings are not, therefore, a recommendation to purchase, sell, or hold a financial obligation, and they do not comment on or imply suitability of any obligation, or this Plan, for prospective investors.

Please see page 7 for more details regarding counterparty risk.

Is capital repayment linked to the stockmarket?

YES. The Plan is designed to return your full original investment, at the end of the investment team, however this depends upon the performance of the underlying FTSE® 100 and S&P 500 Indices. Should either or both of the Indices fall by more than

50% from their starting level, at any market close, during the investment term, and at least one Index remains below its starting level at maturity capital is NOT protected, and will be lost on a 1% for 1% basis in line with the performance of the worst performing Index.

Please see page 6 and 7 for more details regarding the stockmarket risk.

What Index is the Plan linked to?

The Plan is linked to the UK's FTSE® 100 and the US's S&P 500 Indices.

The FTSE® 100 Index was launched in January 1984. The Index tracks the performance of the 100 largest UK-domiciled blue chip companies that are listed on the UK's London Stock Exchange. The Index is calculated and published by FTSE International Limited. The FTSE® 100 Index is a price index and excludes returns due to dividends.

The S&P 500 Index was first published in 1957. The Index reflects the performance of the 500 leading listed 'large-cap' companies in the major industries and sectors in the US economy. The Index captures c.75% coverage of the US stock market. The index is calculated and published by Standard & Poor's.

It is important that prospective investors understand that the FTSE® 100 and S&P 500 Indices can rise or fall – and that past performance should not be seen as an indication of future performance.

What Are The 'Auto-Call' Dates For The Plan?

There are potential 'Auto-Call' points, every 12-months starting from Year-2, during the 6-Year investment term – and the Plan will close automatically at the first 'Auto-Call' point where the levels of both the FTSE® 100 and S&P 500 Indices trigger early closure. The 'Auto-Call' dates are:

Year-2: 5 March 2012

Year-3: 5 March 2013

Year-4: 5 March 2014

Year-5: 5 March 2015

Where any date falls on a non business day the next business day will become the 'Auto-Call' date. Any 'Auto-Call' payment will be credited to your account within 10 business days.

How are the performances of the Indices monitored?

The level of the FTSE® 100 and S&P 500 Indices will be measured at each anniversary, starting from Year 2 (see above). The starting level of the Indices will be the closing level of each Index, as published by the relevant Index provider, on the Start Date of the Plan. On each of the 'Auto-Call' Dates, specified in "What are the 'Auto-Call' Dates for the Plan?", the level of each Index will be its market close level, again based on the level published by the relevant Index provider. These levels will be used to determine whether the 'Auto-Call' early closure feature is triggered (ie. if both Indices are at or above their starting levels).

In addition, the market closing levels of both the Indices, as published by the Index Providers, will be used to determine whether the 50% protection level has been breached during the investment term.

What circumstances may affect the terms of the Plan during the investment period?

The Plan will deliver its investment aims based on an investment in securities (bonds) issued by Rabobank. Under certain extraordinary circumstances Rabobank is permitted, under the terms of the securities, to adjust the calculation of payment amounts and/or defer payments.

Such circumstances include (but are not limited to):

- Market disruption events, which occur if the UK and/or US stockmarkets and/or their related exchanges (e.g. options and futures exchanges) are forced to suspend trading, due to extreme trading conditions, trading system problems, terrorist attacks, etc, which may mean that the level of the Index/Indices cannot be calculated and published by the Index providers. Rabobank may adjust payment amounts and/or delay the Strike Date, Index Measurement Dates, 'Auto-Call' Dates, Maturity and other dates, that are affected by such events.
- Errors in the published level of the Indices which are subsequently corrected by the relevant Index provider, which may mean the Index levels used to determine payments from the Plan need to be adjusted.
- If one or both of the Indices is cancelled by the relevant Index provider during the investment term, Rabobank may choose to replace it with another Index/Indices.
- Changes in law, tax legislation, etc, in the domicile jurisdiction of Rabobank, in the US, UK or EU, which may force Rabobank to adjust the amounts to be paid, or to terminate the securities early. Such early termination could be based on the prevailing secondary market value of the securities rather than the original amount of capital invested.

The circumstances and events that are summarised above may result in delay, including termination and/or adjustments to potential payments generated by the securities that the Plan invests in. The full list of circumstances under which Rabobank may take such actions is contained in the Prospectus.

Reyker Securities plc will inform investors in writing, if any such events occur and result in changes or adjustments to the Plan.

Is a Prospectus available?

YES. An electronic copy of the full Prospectus for the underlying securities that the Plan is based upon is available by emailing info@bluesky-am.com.

What Are The Potential Growth Payments Of The Plan?

The Plan provides 9.5% growth potential for every 12-month period that the Plan is open, before it is potentially 'Auto-Called', from the end of Year-2. The potential growth payments accumulate on an arithmetic basis every 12-months, ie on a simple interest basis (not compound), until an 'Auto-Call' event occurs, or until the maturity date.

Does The Plan Generate Any Income?

NO. The Plan is designed to provide growth potential only. No income will be paid during the investment term or at maturity.

How will charges and expenses affect the Plan?

All of the returns for the Plan are stated after allowing for any internal charges or expenses. The internal charges for the Plan are not expected to exceed 5.5%. These charges have been taken into account before you invest. There are no other charges, other than potential administration fees of £150 for cancellation before maturity, early closure or transfers of an ISA to another Account Manager, during the investment term, unless we feel it is necessary to take into account significant regulatory changes.

How much will any advice cost?

If you receive advice from a Professional Adviser in respect of the Plan they will give you details about the cost. If you are not taking advice, commission may still be payable. The amount of commission will depend on the amount you invest. The amount will also be included in your acknowledgement letter. Remember that commission is already accounted for and reflected in the terms stated for the Plan.

Blue Sky Asset Management may also provide Professional Advisers with additional benefits, which are designed to enhance the quality of their services or advice to you, such as training seminars and additional input to help them assess the suitability of the Plan. Further details of any such services or benefits received from us are available from your Professional Adviser.

Can tax efficient investments in to the Plan be made?

Neither Blue Sky Asset Management nor the Account Manager Reyker Securities plc provide or offer tax advice. The following information and statements are based upon our current understanding of applicable tax legislation, all of which may change, (and any changes may be applied retrospectively). The amount of tax you pay and value of any reliefs will depend on individual circumstances. If you require further information or advice regarding individual circumstances or your potential tax liability you should contact an independent Professional Adviser.

Direct Investments: By investing directly into the Plan (not via an ISA or an ISA transfer) you may be liable for Capital Gains Tax, depending upon your own individual circumstances. Tax will not be deducted at source by the Account Manager, Reyker Securities plc, and you will be responsible for declaring any growth through your own tax return.

Direct Investments for Pension Plans: SIPP and SSAS schemes may invest in the Plan, subject to any restrictions or rules that may apply. Any growth will be free of tax within such pension arrangements.

ISA Investments: If you invest via an ISA all investment returns from your Plan are currently free of income tax and capital gains tax. You can invest your full 2009/10 ISA allowance of £7,200 or £10,200 if you were born on or before 5th April 1960.

ISA Transfers: Existing ISA holdings can be transferred into the Plan. All transferred accounts will remain sheltered from any income or capital gains tax. The minimum aggregate transfer value is £7,200 - but there is no upper limit.

What about interest?

Interest is only paid on cash held during the offer period, pending the Start Date. It is paid at a rate equivalent to the National Westminster Bank plc Instant Access Solicitors' Reserve Account. As at the Offer Opening Date the prevailing rate applying is 0.10%.

Interest is calculated from the latter of the date we accept your application and the date we receive cleared funds in respect of your application up to the business day immediately prior to the Strike Date for this Plan. Interest is only credited if the gross amount earned is £5 or more.

What about tax on interest?

Interest earned on ISAs, if any, is credited net of a 20% flat rate tax charge; on Direct Investments where interest is credited, it will be credited net of lower rate tax and you may need to declare details on your tax return.

What documentation is there?

Within 3 business days of accepting an application the Account Manager, Reyker Securities plc, will send an acknowledgement. They will also send a notice of your right to cancel.

Within 21 calendar days, of the Start Date, a statement showing your investment within your Plan will be sent.

On 5th October each year an annual statement and valuation of the Plan will be sent. This will be issued within 25 business days.

All investments will be registered in the name of the Nominee company 'Reyker Nominees Limited', or other such Nominee approved by the Account Manager, although your holding is recorded and separately identified. No certificates will be issued.

What happens if I change my mind after I have invested?

If you change your mind after submitting your application form you will have the right to cancel your Plan within 14 days of receiving a notice of your right to cancel.

Cancellation notices which Reyker Securities plc receives prior to the Start Date will result in a full return of the investment. No interest will be paid on cancellation.

However, for cancellation notices received on or after the Start Date, or for early redemptions during the investment term, a full refund of your investment is not possible if the price at which the investments can actually be sold is less than the price at which they were purchased.

The cash value in these circumstances is not protected and will depend upon prevailing market conditions including, but not limited to, the levels of the Indices. As internal charges are reflected in the terms offered, the market value of the investment is likely to be less than the amount originally invested in it for a substantial part of the investment period.

A cancellation administration fee of £150 will normally be deducted by the Account Manager upon withdrawal instructions received on or after the start date.

What happens if I want to close the Plan before the maturity date?

Should you want to transfer or sell your Plan in its entirety at any time during the investment period, the cash value is not guaranteed and will depend on prevailing market conditions including, but not limited to, the market price of the investments underlying the securities. As all internal charges are reflected in the investment terms offered, the value of the Plan is likely to be less than the amount originally invested in it for a substantial part of the investment period.

If you decide to sell your investment you should contact Reyker Securities plc to arrange it. Blue Sky Asset Management have arranged that Rabobank will usually accept deals in the middle and at the end of the month, based on the fair value of the assets underlying the investment, with a spread applied.

Whilst Reyker Securities plc and Rabobank intend to provide two access opportunities each month to sell the Plan, there is no guarantee that this intended liquidity will be available, or the price at which it will be offered.

A withdrawal fee of £150 will also be deducted by Reyker Securities plc.

Can partial withdrawals be made before the maturity date?

Partial withdrawals from the Plan are not possible.

What happens if I die?

Should you die during the term of the Plan your investment can either be sold or assigned to a beneficiary, as directed by the Executor(s), after probate has been granted or proven. The total value of your investment forms part of your estate for inheritance tax purposes. Following notification of the death of the original investor any monies held on deposit whilst we await instructions will accrue interest. Once we release these payments any interest accrued will be paid gross and may need to be declared by the beneficiaries for Tax purposes. ISA investments automatically lose their tax-free status upon death of the holder. Where the original Plan was held in joint names, following notification of the death of one of the investors, the Plan can be held in the sole name of the remaining investor until maturity.

Monitoring your money

To help you keep track of your investment Reyker Securities plc will send you an annual statement, which will include the value of your investment. You can also follow the progress of your investment by visiting our website www.bluesky-am.com where you will be able to find up to date month-end values for the Plan. Alternatively you can contact Reyker Securities plc for a telephone or email valuation on 020 7499 9097. Should you need any assistance, the office is open from 9.00am to 5.00pm, Monday to Friday.

About Reyker Securities plc

Reyker Securities plc was established in 1983 and has been providing nominee and administration services to corporate clients, pension funds and private individuals since 1987.

Do any compensation scheme arrangements apply to the Plan?

You would not be entitled to compensation due to the default, ie insolvency, of Rabobank, who provide the securities that the Plan is based upon, should they fail to meet their financial commitments.

Should Reyker Securities plc become insolvent, and you have a claim against it, compensation may be available from the Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, Portoken Street, London E1 8BN. Telephone: 020 7892 7300.

A statement describing your rights to compensation is available on request. **The amount and scope of the compensation scheme is 100% of the claim up to a maximum compensation amount of £50,000.**

How do I make a complaint?

If you have a complaint about Reyker Securities plc, its Compliance Department has procedures in place, in accordance with the Financial Services Authority Handbook. All formal complaints should, in the first instance, be made to the Compliance Officer at Reyker Securities plc, 46 St James's Place, London SW1A 1NS. A statement describing Reyker Securities plc's complaints handling procedure is available on request.

If you have a complaint about Blue Sky Asset Management, you should write to the Chief Executive at Blue Sky Asset Management Limited, International House, 1-6 Yarmouth Place, Mayfair, London, W1J 7BU. We will provide you with details of our Complaints Procedure upon request, or automatically in the event that you make a complaint.

If you are not happy with the response to any complaint, you have the right to complain directly to the Financial Ombudsman Service at the following address: Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR Telephone: 0845 080 1800. Please note that making a complaint will not prejudice your right to take legal proceedings.

Index disclaimer

FTSE® 100 Index

The Plan is not in any way sponsored, endorsed, sold or promoted by FTSE International Limited ("FTSE") or by The London Stock Exchange Plc (the "Exchange") or by The Financial Times (the "FT"). Neither FTSE nor the Exchange nor the FT makes any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE® 100 Index (the "Index") and/or the figure at which the Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated solely by FTSE. However, neither FTSE nor the Exchange nor the FT shall be liable (whether in negligence or otherwise) to any person for any error in the Index and neither FTSE nor the Exchange nor the FT shall be under any obligation to advise any person of any error therein. "FTSE™" is a trademark of the London Stock Exchange Plc and The Financial Times Limited and are used by FTSE International under licence. The use of and reference to the Index in connection with the Medium Term Notes (or similar securities) of the Plan, have been consented to by FTSE.

S&P 500 Index

Standard & Poor's does not guarantee the accuracy and/or the completeness of the S&P 500 Index or any data included therein and S&P shall have no liability for any errors, omissions, or interruptions therein. S&P makes no warranty, express or implied, as to results to be obtained by licensee, owners of the certificates, or any other person or entity from the use of the S&P 500 Index or any data included therein. S&P makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the S&P 500 Index or any data included therein. Without limiting any of the foregoing, in no event shall Standard & Poor's have any liability for any special, punitive, indirect, or consequential damages including lost profits, even if notified of the possibility of such damages.

Terms and Conditions

1. Definitions

In these terms the following words mean:-

'Account Manager': Reyker Securities plc.

'Reyker': Reyker Securities plc.

'We', 'us' & 'our': Reyker Securities plc, which is authorised and regulated by the Financial Services Authority, FSA number 115308.

'FSA': The Financial Services Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS.

'HMRC': HM Revenue and Customs.

'Investor' or 'You': you, an individual whom we propose to treat as a Retail Client in accordance with the FSA's Conduct of Business rules, who applies to make a Direct Investment, or opens an ISA or makes an ISA transfer on these Terms & Conditions.

'Plan': Direct Investment or ISA as held under these Terms and Conditions.

'ISA': an Individual Savings Account.

'the ISA Regulations': the Individual Savings Account Regulations 1998 as amended.

'Terms and Conditions': these Terms and Conditions together with a valid application form.

'Securities': Medium Term Notes or similar securities listed on an HMRC recognised stock exchange.

Strike/Start Date: 5th March 2010.

2. Introduction

Reyker is authorised and regulated by FSA.

Reyker is approved by the HMRC to act as an ISA Manager (stocks and shares only).

Reyker Nominees Limited acts as your nominee and you will at all times remain the beneficial owner of cash and investments held for you by us.

Reyker will satisfy itself that any person to whom it delegates any of its functions or responsibilities is competent to carry out those functions and responsibilities.

3. Your Plan

If applicable, you may open more than one Plan. The application form that you use forms part of these Terms and Conditions and if the terms differ, the terms in our application form will prevail. On receipt of a duly completed application form and subscription(s), the Account Manager may accept your investment subject to these Terms and Conditions. The Account Manager reserves the right to reject an application for any reason. In the case of an ISA investment, your Plan will be opened upon receipt by us of a duly completed application together with your initial cash subscription. Subject to the ISA Regulations, we may open a Plan provisionally where the information that you have provided is insufficient. In respect of an ISA, where we open a Plan on a provisional basis, you must supply the missing information within 30 days; otherwise the Plan must be voided in accordance with HMRC requirements. In the case of an ISA transfer, we will manage your Plan upon receipt by us of the proceeds of your previous ISA from your previous ISA manager. You are classified as a Retail Customer within the meaning of the FSA Handbook, unless we specify otherwise in correspondence with you. Your Plan will have the features including the investment returns and risks described elsewhere in this document.

4. Cancellation Rights

You will have the right to cancel your Plan within 14 days of receiving from us a notice of your right to cancel. Where Reyker receives cancellation notices prior to the strike date, you will receive a full return of the initial investment. No interest will be paid on cancellation. However, you should note that where Reyker receives cancellation notices on or after the strike date on which securities are purchased, you cannot reclaim a full refund of your investment if the price at which securities within the Plan may be sold is less than the price at which they were purchased. In these cases a cancellation administration fee of £150 will be deducted. Also, the cash value is not guaranteed and will be impacted by the set-up charges and depend on prevailing market conditions including, but not limited to, interest rates and the prices of the investments underlying the securities. As all charges are reflected in the terms offered, the value of your investment is likely to be less than the amount that you originally invested in it for a substantial part of the investment period. If you exercise your right to cancel your Plan following an ISA transfer, the proceeds will be paid direct to you and you will irrevocably lose any favourable tax treatment associated with that ISA holding.

5. Subscriptions

You must subscribe to the Plan with your own funds or by transfer of funds from an existing ISA. Once an ISA has been transferred to us, your ISA Plan will be subject to these Terms and Conditions.

6. Permitted Investments

The Securities available under the Plan are denominated in Sterling and are qualifying for the purposes of ISA investment. These Securities are structured to deliver the returns offered by the Plan. Your investment objective is to invest in these Securities, the issuer of which will be 'AAA' rated by Standard & Poor's (or equivalent) at the time of the offer, and which will be issued to meet the aims of this Plan. The Account Manager will exercise discretion in selecting the appropriate Securities and confirms that it will be acting as your agent in arranging for the purchase of these Securities and accordingly acknowledges and confirms on behalf of any issuer, its affiliates and directors (together the 'Issuer') that it does not act as agent for the Issuer and that any offer of Securities is not authorised by any Issuer and is made without the Issuer's prior approval.

7. Cash

We will deposit and hold your cash in one or more segregated client bank accounts with National Westminster Bank plc or with any other banking institution that falls within the requirements of the FSA's Client Money Rules. Client bank accounts will earn interest at a rate being not less than that paid by National Westminster Bank plc on its Instant Access Solicitors' Reserve Account. Interest is calculated from the later of the date we accept your application and the date we receive cleared funds in respect of your application up to the business day immediately prior to the Start Date. Interest is only credited if the gross amount earned is £5 or more. Interest earned on cash held for your own account will be credited net of lower rate tax, currently 20%. Interest earned on cash held for you within an ISA Wrapper will be credited without deduction of tax, but, in accordance with the ISA Regulations, Reyker will deduct a charge of 20% from such interest and account to HMRC for said deduction. If the Securities held within your Plan pay income, all the income derived from the Securities will be credited to a client bank account set up specifically to accumulate such income. Income so accumulated at 5th January, 5th April, 5th July and 5th October will be paid to your nominated bank account via BACS as soon as is practicable following these dates provided that the amount due to you exceeds £5. No interest will be paid on income held pending distribution.

8. Investment

All cash (and any interest earned prior to the Strike/Start date) received by us for investment in your Plan will be applied to purchase Securities in permitted investments. Investment will be made on or before the Strike/Start date. The Account Manager will be responsible for all purchases and sales of investments for your Plan. The Account Manager may aggregate any transaction for an investor with one or more transactions for other investors; even though this may result in a less favourable price than if it had been carried out separately. The Account Manager will take all reasonable steps to ensure that any aggregated transaction is carried out on the best terms generally available in the market at that time for transactions of a similar type and size. You have a right to inspect copies of contract notes, vouchers and entries in the Account Manager's book, or computerised records relating to transactions carried out on your account. We may not lend to a third party documents of title or securities otherwise held by us or on your behalf which may not in any event be charged as security for any borrowings. Purchases and sales effected by us on your instructions may be made on any market and through any intermediary that we select in accordance with our Order Execution Policy. We will collect dividends, interest on Securities, interest on deposits and other distributions and benefits due in respect of investments held for you and in respect of an ISA you authorise us to claim from the HMRC income tax deducted (if any), from interest received from securities held within said ISA.

9. Securities

By signing the application form, you have chosen to make an investment with the features (including the potential returns and risks) described elsewhere in this document. Your investment will be used to acquire the Securities, which are designed to fund the investment returns offered by the Plan.

10. How Investments are Held

All assets within your Plan will be, and must at all times remain, in your beneficial ownership, and must not be used as security for a loan. None of the assets may be lent to or deposited by way of collateral with any third party, nor may you create any charge or security over any assets. We may not lend any of your assets to a third party, nor may we borrow against their security. Securities will be registered in the name of our nominee company, Reyker Nominees Ltd, which is not authorised under the Financial Services and Markets Act 2000, or any such nominee approved by us. We accept full responsibility for any loss that might arise as a result of any default by any nominee company in which name the assets are held.

11. Conflicts of Interest

The FSA Principles of Business stipulate that a firm must manage conflicts of interest fairly, both between itself and its customers and between one customer and another. Reyker has a Conflicts Policy, which fully meets this requirement. Reyker will identify conflicts and ensure that these are properly managed in a fair manner. A copy of the Reyker Conflicts Policy is available on request.

12. Documents you Receive

We will acknowledge in writing, where applicable: your application to open a Direct Investment Plan; your application to open an ISA; and your request to transfer an ISA to us, as the case may be. We will send you information about executed transactions on a transaction-by-transaction basis. You will also receive annual statements. These will show details of all transactions effected during the previous twelve months and include a valuation of your Plan. The statement will be prepared in accordance with the rules of the FSA and will be issued within 25 business days of the valuation date and will not include any measure of comparable performance. We may produce a consolidated statement covering where applicable all Direct Investments and ISAs held for you with us. On specific written request, you will receive any information issued to holders of the Securities in which you invest. On specific written request, you will be invited to exercise voting rights in respect of Securities held. If you wish to attend note holder meetings in person, we will endeavour to arrange this. We reserve the right to make a reasonable charge for providing these additional services. Where a certificate or other document evidencing title to a permitted investment is issued, it will be held by us or as we may direct. We will notify you if by reason of failure to comply with the ISA Regulations, any element of your ISA Wrapper has or will or is likely to become void. Confirmation of any transaction, together with all charges relating to it and the net contract total, will be dispatched to you promptly and as soon as practicable unless we have received instructions to the contrary. We will retain records of account transactions for six years in accordance with regulatory requirements.

13. Partial Withdrawals

Partial withdrawals are not permitted from your Plan.

14. ISA Transfers to Another Manager

Subject to the ISA Regulations, you have the right at any time to transfer your ISA to another ISA Manager. To effect a transfer you must submit to us a written instruction and/or a letter of acceptance from your new ISA Manager. You may stipulate when you wish to transfer the proceeds of your Plan, but should be aware that your Plan's proceeds will be realised in accordance with clause 15. We only effect the transfer in cash following the sale of all Securities held by you. All and any ISAs that you hold with us are merged and are indivisible into their original subscription years, it is therefore only possible to transfer the sum total of your ISAs held with us. We will effect an ISA transfer within 30 days of receipt of you giving notice and an additional fee of £150 will be charged for effecting a transfer. The exception to this is that, after a specific ISA Plan that you hold with us reaches its maturity date, the proceeds of that Plan may, irrespective of any other ongoing ISA Plans you hold with us be transferred to another ISA Manager. No charge will be made for such ISA transfers

15. Termination or Full Withdrawals

The Plan may be terminated immediately by the Account Manager on giving written notice to you if, in its opinion, it is impossible to administer the Plan in accordance with the regulations or you are in breach of the ISA Regulations. (An ISA Plan will terminate automatically if it becomes void under the ISA Regulations, with immediate effect. The Account Manager will notify you in writing if an ISA Plan becomes void.) The Account Manager may terminate the Plan on one month's notice if you fail to pay any money due or are in breach of any of these Terms & Conditions. The Account Manager may at any time terminate the Plan by giving you 3 months' notice to that effect. You may terminate the Plan at any time by giving written notice to the Account Manager that you wish to terminate your Plan. Following receipt the Account Manager will then sell your investments at the next practicable dealing date, normally in the middle or at the end of the month. Reyker must receive written notice two business days before the dealing date. On termination, the Account Manager will be entitled to retain any cash or investments required to settle transactions already initiated on your behalf and any outstanding fees. You will pay to the Account Manager any fees and transaction charges accrued to the date of termination.

16. Death

Should you die during the term of the Plan, your investment will either be sold or assigned to a beneficiary, as directed by the executor(s), after probate has been granted or proven. Should the executor(s) elect to sell the plan, an administrative fee of £65 will apply. No charge is applied if the plan is assigned to a beneficiary and remains in force until maturity. The total value of your investment forms part of your estate or inheritance tax purposes. Following notification of the death of the original investor, any monies held on deposit whilst we await instructions will accrue interest in accordance with clause 7. Once we release these payments, any interest accrued will be paid gross and may need to be declared by the beneficiaries for Tax purposes. ISA investments automatically lose their tax-free status upon death of the holder. Where the original plan was held in joint names, following the notification of the death of one of the investors, the Plan can continue to be held in the sole name of the remaining investor until maturity.

17. Charges

The Plan is designed to be held for the full term. Should you subsequently cancel, withdraw or transfer at any time during the investment period, a withdrawal administration fee of £150 will be deducted. Also, the cash value is not guaranteed and will be impacted by the set-up charges and depend on prevailing market conditions including, but not limited to, interest rates and the prices of the investments underlying the securities. As all charges are reflected in the terms offered, the value of your investment is likely to be less than the amount that you originally invested in it for a substantial part of the investment period. However, we reserve the right to introduce an additional charge in the future to cover any additional expenses incurred by us as a result of significant regulatory change. In any event, no such charge will be introduced without giving you three months' written notice.

18. Records of Your Plan

We will maintain all records relating to your Plan; make returns to HMRC for the purposes of taxation; and provide all taxation details to you, as may be required under the ISA Regulations.

19. Delegation of Functions

We may appoint a third party to act in respect of any function relevant to the administration of your Plan, though we must satisfy ourselves that any such third party is competent to carry out those functions or responsibilities. We shall take full responsibility for the actions and omissions of any such third party.

20. Assignment

We may assign our rights and obligations as Account Manager of your Plan under these Terms And Conditions to another company or firm on giving you one months notice. The new Account Manager must be approved to act as an ISA Manager (as applicable) by the Commissioners of HMRC.

21. Complaints

Any complaint with regard to the Account Manager should be addressed to the Compliance Officer, Reyker Securities plc at 46 St James's Place, London SW1A 1NS in the first instance. If you have a complaint about Blue Sky Asset Management, you should write to the Chief Executive, at International House, 1-6 Yarmouth Place, Mayfair, London W1J 7BU. They will provide details of their complaints procedure upon request, or automatically in the event that you make a complaint that is not satisfactorily resolved. If you are not satisfied with the manner in which the matter is addressed, you can refer your complaint to The Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR. Making a complaint will not prejudice your right to take legal proceedings.

22. Compensation

If we become insolvent and cannot meet our financial obligations to you, you may be entitled to compensation under the Financial Services Compensation Scheme, established under the Financial Services and Markets Act 2000. Details of your rights under this scheme are available from us on request, and further information is available from the FSA and the Financial Services Compensation Scheme. **The amount and scope of the compensation scheme is 100% of the claim up to a maximum compensation amount of £50,000.** You would not be entitled to any compensation if the counterparty, from which we buy investments on your behalf, fails to meet its financial commitments.

23. Commission

If you subscribe to a Plan through an Independent Financial Adviser we will usually pay commission, which will be detailed in correspondence with you. You should inform us of any change in your adviser to enable us to keep our records up to date.

24. Data Protection

The information that you provide on your application form (or subsequently) will be held and processed by us as a data controller for the purposes of the Data Protection Act 1998. We may hold and process information for the administration of the service(s) for which you are currently applying or may apply for in future, for the operation of your investment in Securities (including e.g. for registration and distribution purposes), for the purposes of statistical analysis, and the marketing of goods or services by Blue Sky Asset Management. We may transfer information to other companies and to third party agents of such companies or of this company for any of the above purposes. Where an Independent Financial Adviser acts on your behalf, we will disclose information concerning your investment to that Independent Financial Adviser. Save as noted above, we will not provide to any other third party any information relating to you, unless you have given your written consent or unless we are required to do so by law. You are entitled to request details of information we may hold about you upon payment of a fee and to require us to correct any inaccuracies in your personal data.

25. Money Laundering

All transactions relating to products provided by Reyker are covered by money laundering requirements (Proceeds of Crime Act 2002, The Money Laundering Regulations 2007, FSA Rules and any relevant guidance notes). This means that we are responsible for compliance with these requirements. As a consequence, you may be required to provide proof of identity and other information and documents when buying or selling your investment.

26. Telephone Recording

For your security, for business efficacy, or to comply with regulatory requirements, telephone conversations may be recorded.

27. Unclaimed maturity proceeds

The Account Manager shall continue to treat unclaimed maturity or allocated funds as client money, in accordance with the FSA Handbook, for a period of 6 years. Interest will not be paid on such funds. The investor consents to any money held in a client account for this reason for more than 6 years being released and no longer treated as client money, in accordance with the client money rules of the FSA Handbook.

28. Exclusion of Liability

We give no warranty as to the performance or profitability of the Plan. You must be aware that the price of Securities can go down as well as up and that there are both investment and counterparty risks attached to stockmarket-linked investments. You may not get back the amount invested. You are reminded that past performance is no guarantee of future returns. In the event of any failure, interruption or delay in the performance of its obligations resulting from any event or circumstance not reasonably within its control, the Account Manager shall not be liable or have any responsibility of any kind for any loss or damage you incur or suffer as a result.

29. Notices and instructions

Any notice given by you to us under this agreement shall be sent in writing to Reyker Securities plc at 46 St James's Place, London, SW1A 1NS.

Any notice to be given to you by us shall be sent in writing to the address that you provided to us and we may act and rely upon any instruction appearing to be signed by you. We shall be entitled to contact you otherwise than in writing for the purposes of obtaining instructions in relation to the investments held for you as nominee or otherwise in relation to this Agreement. You will promptly notify us of changes of name, address or your country of residence for tax purposes

30. Amendment

Subject to not less than 30 days notice in writing and subject to us having valid reason for so doing, we may vary any of these Terms and Conditions and our commissions and charges as published in sales and marketing literature, save that no variation shall be made which results or which might result in an ISA ceasing to comply with the ISA Regulations. The following are valid reasons for a variation of our Terms and Conditions:

- i changes in law, regulations, industry guidance or codes of practice;
- ii to accommodate variation(s) in taxation rates;
- iii to reflect in a proportionate way, legitimate cost increases or reductions associated with the provision of ISA Wrappers and Nominee Services.

31. Governing Law

These terms are governed by English law and will become effective on acceptance by the Account Manager of your signed application form. All business is conducted in English.



OPTIMAL INVESTMENT SOLUTIONS

Blue Sky Asset Management Limited
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Administration and Account Management
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Blue Sky Asset Management is registered under the Financial Services Authority No. 473142
Blue Sky Asset Management is registered in England No. 6349717

Reyker Securities plc is authorised and regulated by the Financial Services Authority,
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Reyker Securities plc is registered under the Financial Services Authority No. 115308
Reyker Securities plc is registered in England No. 1747595