

# PROtected Structured PERmal Notes- PROSPER NOTES



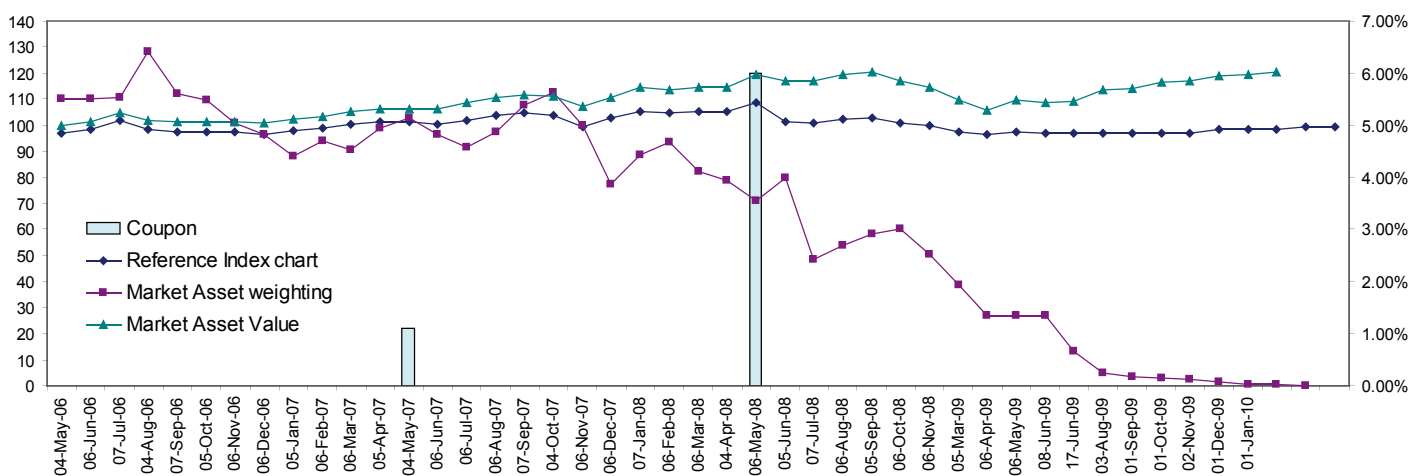
PROTECTION

ISIN: XS0243502746

## OBJECTIVE

The investment objective of the Note is to seek capital appreciation over the medium term. The exposure of the Reference Index to the Market Asset Unit (proportion of its net assets allocated to the alternative investment strategies) will be adjusted regularly in accordance with its Dynamic Allocation Strategy.

<b>LEGAL STRUCTURE:</b>	EMTN
<b>ISSUER:</b>	Royal Bank of Scotland
<b>CALCULATION AGENT:</b>	Merrill Lynch International
<b>ISIN CODE:</b>	XS0243502746
<b>ISSUE DATE:</b>	29th March 2006
<b>MATURITY DATE:</b>	7th March 2011
<b>CURRENCY:</b>	US Dollar
<b>UNDERLYING:</b>	Portfolio composed of Risky and Non Risky Asset
<b>DENOMINATION:</b>	USD 2,000 per Note
<b>ISSUE PRICE:</b>	100%
<b>ANNUAL COUPON:</b>	The Notes aim to pay an annual coupon equal to 6% of the Issue Price on each Coupon Payment Date. If paying such a coupon would cause the Reference Index level to fall below 100 then the coupon payment, if any, will instead be equal to the amount by which the Reference Price is above 100% on the Coupon Evaluation Date.
<b>CAPITAL PROTECTION:</b>	100% at maturity
<b>REDEMPTION AT MATURITY:</b>	The greater of: a) 100% b) 100% + Max [0%, Rf - 100%] Where Rf = is the level of the Reference Index on Valuation Date



Disclaimer: Calculation of the return on the Note is linked to the Reference Index and is designed for investors who believe that the value of the Reference Index will rise over the next 5 years. The Reference Index may depreciate as well as appreciate and, although the investor has the opportunity to receive a high return, the investor risks a lower return than comparable instruments. As such, the investment may not be suitable for persons unfamiliar with the Reference Index, or unwilling or unable to bear the risk attendant with this investment. Clients should consult their advisers if in any doubt as to the nature of the investment and its suitability in the light of their particular circumstances. The Notes are denominated in USD. A Non-USD investor will be subject to fluctuations in exchange rates that could have an adverse effect on the investor's return upon the conversion into local currency received, or the maturing Note amount. The security referred to involves risk, which includes interest rate, index, currency, credit, political, liquidity, time value, commodity and market risk and is not suitable for all investors.

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OBPI		
Currency	USD	
Initial Reference Price	97	
Initial Market Asset Weighting	110%	
Initial Reserve Asset Weighting	0%	
Cash Drag	0,00%	
Leverage spread	0,50%	
gearing	5	
Trigger Band	0%	
Floor Start	15.03.2006	
Floor End	04.02.2011	
Reference Index Adjustment Fee	1,25%	365
Last Rebalancing	04.03.2011	
Maximum Market Asset Weighting	200%	
Minimum Market Asset Weighting	0%	
Exit Fees	2%	
Floor Buffer Factor	0,25%	

Note	
Indicative Note value	95.89%
Bid/Ask Spread	-
Current Note Value	95.89%

Paid Coupons	
NAV DATE	COUPON
28.Feb.07	1,09%
29.Feb.08	6,00%
28.Feb.09	0%
28.Feb.10	
28.Feb.11	

