

ROYAL BANK OF SCOTLAND PLC

Form 424B5

November 08, 2011

CALCULATION OF REGISTRATION FEE¹

Title of Securities to be Registered	Number of Securities to be Registered	Proposed	Proposed	Amount of Registration Fee
		Maximum Offering Price Per Security	Maximum Aggregate Offering Price	
RBS Oil Trendpilot™ Exchange Traded Notes	4,000,000	\$25.00	\$100,000,000.00	\$11,610.00

1 Already paid.

PRICING SUPPLEMENT†
(TO PROSPECTUS DATED MAY 18, 2010)

Registration Statement Nos. 333-162219 and 333-162219-01
Rule 424(b)(5)

The Royal Bank of Scotland plc

RBS NotesSM

fully and unconditionally guaranteed by The Royal Bank of Scotland Group plc

4,000,000 ETNs*

RBS Oil Trendpilot™ Exchange Traded Notes

General

¶The RBS Oil Trendpilot™ Exchange Traded Notes (the “ETNs”) (NYSE Arca: “TWTF”) are designed for investors who seek exposure to the RBS Oil Trendpilot™ Index (USD), an index that utilizes a systematic trend-following strategy to provide exposure to either the RBS 12-Month Oil Total Return Index (USD) or the yield on a hypothetical notional investment in 3-month U.S. Treasury bills as of the most recent weekly auction, depending on the relative performance of the RBS 12-Month Oil Total Return Index (USD) on a simple historical moving average basis.

¶The RBS 12-Month Oil Total Return Index (USD) utilizes a rules-based methodology to provide exposure to a hypothetical notional investment in a series of twelve (12) light sweet crude oil (WTI) futures contracts that are traded on the New York Mercantile Exchange (“NYMEX”). The twelve (12) futures contracts comprising the RBS 12-Month Oil Total Return Index (USD) on any given day will be the futures contract scheduled to expire in the immediately following calendar month and futures contracts scheduled to expire in each of the eleven months thereafter. The RBS 12-Month Oil Total Return Index (USD) is rebalanced on a monthly basis so that each of the twelve (12) futures contracts is equally weighted upon each rebalancing.

¶The ETNs do not pay interest, and investors should be willing to lose up to 100% of their investment if the RBS Oil Trendpilot™ Index (USD) declines or does not increase in an amount sufficient to offset the investor fee.

¶The ETNs are unsecured and unsubordinated obligations of The Royal Bank of Scotland plc, maturing September 13, 2041, and are fully and unconditionally guaranteed by The Royal Bank of Scotland Group plc. Any payment on the ETNs is subject to the ability of The Royal Bank of Scotland plc, as the issuer of the ETNs, and The Royal Bank of Scotland Group plc, as the guarantor of the issuer’s obligations under the ETNs, to pay their respective obligations as they become due.

¶The denomination and stated face amount of each ETN is \$25.00. Any ETNs issued in the future may be issued at a price that is higher or lower than the stated face amount, based on the indicative value of the ETNs at that time.

¶The initial offering of ETNs priced on September 13, 2011 (the “inception date”) and settled on September 16, 2011 (the “initial settlement date”). Delivery of the ETNs in book-entry form only will be made through The Depository Trust Company (“DTC”).

Key Terms

Issuer: The Royal Bank of Scotland plc (“RBS plc”)

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Guarantor:	The Royal Bank of Scotland Group plc (“RBSG”)
Inception Date:	September 13, 2011
Initial Settlement Date:	September 16, 2011
Maturity Date:	September 13, 2041, subject to postponement if such day is not a business day or if the final valuation date is postponed.
Final Valuation Date:	September 10, 2041, subject to postponement as described below.
Index:	<p>The return on the ETNs will be based on the performance of the RBS Oil Trendpilot™ Index (USD) (the “Index”) during the term of the ETNs. The Index was created by The Royal Bank of Scotland plc (the “Index Sponsor”), and is calculated by NYSE Arca, Inc. (the “Index calculation agent”). The level of the Index is reported on Bloomberg under the ticker symbol “TPOILUT <Index>.” The Index provides exposure to either the RBS 12-Month Oil Total Return Index (USD) (Bloomberg symbol “12MOILTR <Index>”) (the “Benchmark Index”) or the yield on a hypothetical notional investment in 3-month U.S. Treasury bills as of the most recent weekly auction (the “Cash Rate”), depending on the relative performance of the Benchmark Index on a simple historical moving average basis. If the closing level of the Benchmark Index is at or above its historical 100-Index business day simple moving average for five consecutive Index business days (which we refer to in this pricing supplement as a “positive trend”), the Index will track the return on the Benchmark Index and will have no exposure to the Cash Rate until two Index business days after a negative trend occurs. Conversely, if the closing level of the Benchmark Index is below its historical 100-Index business day simple moving average for five consecutive Index business days (which we refer to in this pricing supplement as a “negative trend”), then the Index will track the Cash Rate and will have no exposure to the Benchmark Index until two Index business days after the next positive trend occurs. As of the date of this pricing supplement, the Index tracks the Cash Rate. For more information, see “The Index” in this pricing supplement.</p>
Payment at Maturity:	If your ETNs have not previously been repurchased or redeemed by RBS plc, at maturity you will receive a cash payment equal to the daily redemption value of your ETNs on the final valuation date (subject to postponement if the final valuation date is not a trading day or a market disruption event exists on the final valuation date).
Daily Redemption Value:	The daily redemption value as of the inception date is equal to the stated face amount of \$25.00 per ETN. For any valuation date thereafter, the daily redemption value per ETN is equal to (a) the daily redemption value on the immediately preceding valuation date, multiplied by (b) the index factor on such valuation date, multiplied by (c) the fee factor on such valuation date. RBS Securities Inc. (the “calculation agent”) will determine the daily redemption value on each valuation date.
Index Factor:	The index factor on any valuation date, including the final valuation date, will be equal to the Index closing level on such valuation date, divided by the Index closing level on the immediately preceding valuation date.
Fee Factor/Investor Fee:	The fee factor on any valuation date, including the final valuation date, will be equal to one minus the investor fee, which is the product of (a) the annual investor fee and (b) the day-count fraction.
Annual Investor Fee:	The annual investor fee will be equal to (a) 1.10% per annum when the Index is tracking the Benchmark Index and (b) 0.50% per annum when the Index is not tracking the Benchmark Index, and instead, is tracking the Cash Rate.

The daily redemption value payable at maturity or upon early repurchase or redemption of your ETNs will be reduced by the aggregate investor fee applicable to your ETNs. As a result, the level of the Index must increase by an amount sufficient to offset such reduction in order for you to receive at least your initial investment at maturity or upon early repurchase or redemption. If the level of the Index decreases or does not increase sufficiently, you will receive less, and possibly significantly less, than your initial investment at maturity or upon early repurchase or redemption.

(key terms continued on next page)

† This amended and restated pricing supplement amends, restates and supersedes the pricing supplements dated September 13, 2011 and September 14, 2011 in their entirety. We refer to this amended and restated pricing supplement as the “pricing supplement.”

The ETNs involve risks not associated with an investment in conventional debt securities. See “Risk Factors” beginning on PS-17 of this pricing supplement.

The ETNs are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other government agency.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved the ETNs, or determined if this pricing supplement or the prospectus are truthful or complete. Any representation to the contrary is a criminal offense.

* The agent for this offering, RBS Securities Inc. (“RBSSI”), is our affiliate. We issued \$4,000,000 in face amount of the ETNs (equivalent to 160,000 ETNs) on the initial settlement date to be sold through RBSSI. These ETNs and additional ETNs may be offered and sold from time to time by or through RBSSI and one or more dealers at a price that is higher or lower than the \$25.00 stated face amount, based on the indicative value of the ETNs at that time. We will receive proceeds equal to 100% of the offering price of the ETNs issued and sold after the inception date. We have entered into an agreement with Pacer Financial, Inc. (“Pacer”) under which Pacer will receive a portion of the investor fee in consideration for its role in marketing the ETNs. The actual amount received by Pacer in a given year will depend on, among other things, the daily redemption value of ETNs then outstanding and the number and value of any other then outstanding securities issued by RBS plc or its affiliates and marketed by Pacer.

In exchange for providing certain services relating to the distribution of the ETNs, RBSSI, a member of the Financial Industry Regulatory Authority (“FINRA”), may receive all or a portion of the investor fee. See “Plan of Distribution (Conflicts of Interest)” in this pricing supplement for more information.

RBS Securities Inc.

November 8, 2011

(key terms continued from previous page)

Day-Count Fraction:	On each valuation date, the day-count fraction is equal to the number of days from, but excluding, the immediately preceding valuation date to, and including, the applicable valuation date, divided by 365.
Index Closing Level:	The Index closing level on any trading day will be the official closing level of the Index with respect to such trading day reported on Bloomberg page “TPOILUT <Index>” or any successor page on Bloomberg or any successor service, as applicable, or if the official closing level of the Index is not reported on such page, the official closing level of the Index with respect to such trading day as published or otherwise made publicly available by the Index Sponsor or the Index calculation agent, in each case as determined by the calculation agent. In certain circumstances, the Index closing level will be based on the alternative calculation of the Index as described under “Specific Terms of the ETNs—Discontinuation or Modification of the Index.”
Repurchase of the ETNs at Your Option:	Subject to the requirements described below, on any business day from, and including, the initial settlement date to, and including, September 5, 2041, you may offer the applicable minimum repurchase amount or more of your ETNs to RBS plc for repurchase. The minimum repurchase amount will be equal to 20,000 ETNs for any single repurchase; provided that RBS plc may, in its sole discretion, from time to time, reduce the minimum repurchase amount. Any such reduction will be applied on a consistent basis for all holders of the ETNs from the time the reduction becomes effective. The trading day immediately following the date you offer your ETNs for repurchase will be the valuation date applicable to such repurchase. If you elect to offer your ETNs for repurchase, and the requirements for acceptance by RBS plc are met, you will receive a cash payment on the applicable repurchase date in an amount equal to the daily redemption value on the relevant valuation date, calculated in the manner described herein.
Redemption of the ETNs at Our Option:	We will have the right to redeem, in our sole discretion, the ETNs in whole, but not in part, on any business day from, and including, the initial settlement date to, and including, September 11, 2041. The trading day immediately following the date on which we deliver the irrevocable redemption notice will be the valuation date applicable to such redemption. Upon any such redemption, you will receive a cash payment on the applicable redemption date in an amount equal to the daily redemption value on the relevant valuation date. If we exercise our right to redeem the ETNs, we will deliver an irrevocable redemption notice to DTC (the holder of the global note) not less than five business days prior to the applicable redemption date. The last day on which we can deliver a redemption notice is September 4, 2041.
Repurchase Mechanics:	To offer your ETNs for repurchase, you and your broker must deliver an irrevocable offer for repurchase and confirmation of repurchase to RBS plc and follow the procedures set forth under “Specific Terms of the ETNs—Repurchase at Your Option.” If your offer for repurchase is received by e-mail after 4:00 p.m. or if your signed confirmation of repurchase is received by fax after 5:00 p.m., New York City time, on a business day, you will be deemed to have made your offer for repurchase on the following business day. If you otherwise fail to comply with these procedures, your offer will be deemed ineffective and RBS plc will not be obligated to repurchase your ETNs. Unless the scheduled

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repurchase date is postponed as described herein, the final day on which RBS plc will repurchase your ETNs will be September 11, 2041. You must offer your ETNs for repurchase no later than September 5, 2041 in order to have your ETNs repurchased on September 11, 2041.

Valuation Date:	Each business day from and including the inception date to and including the final valuation date. If any valuation date is not a trading day or if a market disruption event exists on any valuation date, the valuation date (including the final valuation date) will be postponed for up to five business days as provided in this pricing supplement.
Repurchase Date:	The repurchase date for any ETNs will be the third business day immediately following the applicable valuation date. Unless the scheduled repurchase date is postponed as described in this pricing supplement, the final day on which RBS plc will repurchase your ETNs will be September 11, 2041. As such, you must offer your ETNs for repurchase no later than September 5, 2041.
Redemption Date:	The redemption date will be specified in the redemption notice and will not be less than five business days or more than ten business days after the date of the redemption notice.
Listing / Secondary Market:	The ETNs have been approved for listing on NYSE Arca, Inc. ("NYSE Arca") under the ticker symbol "TWTI," subject to official notice of issuance. If an active secondary market in the ETNs develops, we expect that investors will purchase and sell the ETNs primarily in this secondary market. We have no obligation to maintain any listing on NYSE Arca or any other exchange.
Trading Day:	A trading day is a day on which (a) trading is generally conducted on NYSE Arca and each Exchange, and (b) the level of the Index is calculated and published, in each case as determined by the calculation agent.
Exchange:	Exchange means (a) the primary exchange, trading market or association where light sweet crude oil (WTI) futures contracts are traded, which, as of the date of this pricing supplement, is the NYMEX and (b) the exchange or quotation system, or any substitute exchange or quotation system, in which trading of 3-month U.S. Treasury bills, or derivatives that reference 3-month U.S. Treasury bills, principally occurs, in each case as determined by the Index Sponsor.
Business Day:	A business day is any day that is not a Saturday or Sunday or a day on which banking institutions in The City of New York are authorized or required by law, executive order or governmental decree to be closed.
Index Calculation Agent:	NYSE Arca
Calculation Agent:	RBS Securities Inc.
Trustee:	Wilmington Trust Company
Securities Administrator:	Citibank, N.A.
CUSIP/ISIN:	78009P127 / US78009P1277

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ABOUT THIS PRICING SUPPLEMENT

As used in this pricing supplement, “RBS plc,” “we,” “us,” “our” and the “Bank” refer to The Royal Bank of Scotland plc, “RBS” refers to The Royal Bank of Scotland Group plc, “Group” means The Royal Bank of Scotland Group plc together with its subsidiaries consolidated in accordance with International Financial Reporting Standards, “RBSSI” refers to RBS Securities Inc., and references to “dollars” and “\$” are to United States dollars.

The ETNs are our unsecured and unsubordinated obligations issued as part of our RBS NotesSM program and guaranteed by RBSG. RBS NotesSM is a service mark of The Royal Bank of Scotland N.V., one of our affiliates.

This pricing supplement amends, restates and supersedes the pricing supplements dated September 13, 2011 and September 14, 2011 in their entirety. We refer to this amended and restated pricing supplement as the “pricing supplement.” This pricing supplement sets forth certain terms of the ETNs and supplements the prospectus dated May 18, 2010 relating to our securities of which the ETNs are part. This pricing supplement is a “prospectus supplement” referred to in the prospectus. You may access the prospectus on the Securities and Exchange Commission (“SEC”) website at www.sec.gov as follows (or if such address has changed, by reviewing our filings for the relevant date on the SEC website):

•

Prospectus dated May 18, 2010:

http://www.sec.gov/Archives/edgar/data/729153/000095010310001492/dp17682_424b2.pdf

Our Central Index Key, or CIK, on the SEC website is 729153.

This pricing supplement, together with the prospectus described above, contains the terms of the ETNs and supersedes all other prior or contemporaneous oral statements as well as any other written materials including preliminary or indicative pricing terms, fact sheets, correspondence, trade ideas, structures for implementation, sample structures, brochures or other educational materials of ours. You should carefully consider, among other things, the matters set forth in “Risk Factors” in this pricing supplement, as the ETNs involve risks not associated with conventional debt securities. You should consult your investment, legal, tax, accounting and other advisers before deciding to invest in the ETNs.

It is important for you to read and consider all information contained in this pricing supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information contained in the documents identified in “Where You Can Find More Information” in the accompanying prospectus.

We have not authorized anyone to provide information other than that which is contained in this pricing supplement and the accompanying prospectus with respect to the ETNs. We take no responsibility for, and can provide no assurance as to the reliability of, any information that others may give you. This document may only be used where it is legal to sell these ETNs. We are offering to sell these ETNs and seeking offers to buy these ETNs only in jurisdictions where offers and sales are permitted.

The information set forth in this pricing supplement is directed to prospective purchasers who are United States residents. We disclaim any responsibility to advise prospective purchasers who are residents of countries other than the United States of any matters arising under foreign law that may affect the purchase of or holding of, or receipt of payments on, the ETNs. These persons should consult their own legal and financial advisors concerning these matters.

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WHERE YOU CAN FIND ADDITIONAL INFORMATION

RBSG is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and in accordance therewith, RBSG files reports and other information with the SEC. You may read and copy these documents at the SEC’s Public Reference Room at 100 F Street, NE, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information about the Public Reference Room. The SEC also maintains an Internet website that contains reports and other information regarding RBSG that are filed through the SEC’s Electronic Data Gathering, Analysis and Retrieval (EDGAR) System. This website can be accessed at www.sec.gov. You can find information RBSG has filed with the SEC by reference to file number 1-10306.

The SEC allows us to incorporate by reference much of the information RBSG files with it, which means that we and RBSG can disclose important information to you by referring you to those publicly available documents. The information that we and RBSG incorporate by reference in this pricing supplement is considered to be part of this pricing supplement. Because we and RBSG are incorporating by reference future filings with the SEC, this pricing supplement is continually updated and those future filings may modify or supersede some of the information included or incorporated in this pricing supplement. This means that you must look at all of the SEC filings that we and RBSG incorporate by reference to determine if any of the statements in this pricing supplement or in any document previously incorporated by reference have been modified or superseded. This pricing supplement incorporates by reference the documents listed below, all subsequent Annual Reports filed on Form 20-F and any future filings we or RBSG make with the SEC (including any Form 6-Ks RBSG subsequently files with the SEC and specifically incorporates by reference into this pricing supplement) under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act that are identified in such filing as being specifically incorporated by reference into the Registration Statement of which this pricing supplement is a part until we and RBSG complete our offering of the ETNs to be issued under the registration statement or, if later, the date on which any of our affiliates cease offering and selling these ETNs:

- Annual Report on Form 20-F of RBSG for the year ended December 31, 2010, filed on March 31, 2011; and
- Reports on Form 6-K of RBSG filed on March 31, 2011, April 11, 2011, April 19, 2011 (announcing proposed transfers of a substantial part of the business activities of RBS N.V. to RBS plc and incorporated by reference into the Registration Statement of which this pricing supplement is a part), May 9, 2011, May 16, 2011, June 14, 2011, August 12, 2011 (three reports), August 30, 2011, September 6, 2011, September 14, 2011 (two reports), September 28, 2011, October 7, 2011, October 13, 2011, October 26, 2011 and October 31, 2011.

You may request, at no cost to you, a copy of these documents (other than exhibits not specifically incorporated by reference) by writing or telephoning us at:

The Royal Bank of Scotland plc
42 St. Andrew Square
P.O. Box 31
EH2 2YE Edinburgh, Scotland
+44-131-556-8555

SUMMARY

The following summary answers some questions that you might have regarding the ETNs in general terms only. It does not contain all the information that may be important to you. You should read the summary together with the more detailed information that is contained in the rest of this pricing supplement and in the accompanying prospectus. References to the “prospectus” mean the accompanying prospectus dated May 18, 2010. You should carefully consider, among other things, the matters set forth in “Risk Factors” in this pricing supplement. In addition, we urge you to consult with your investment, legal, accounting, tax and other advisors with respect to any investment in the ETNs.

We may, without providing you notice or obtaining your consent, create and issue ETNs in addition to those offered by this pricing supplement having the same terms and conditions as the ETNs. We may consolidate the additional ETNs to form a single class with the outstanding ETNs.

What are the ETNs and how do they work?

The ETNs are unsecured and unsubordinated obligations of The Royal Bank of Scotland plc (“RBS plc”), and are fully and unconditionally guaranteed by The Royal Bank of Scotland Group plc (“RBSG”). The return on the ETNs is linked to the performance of the RBS Oil Trendpilot™ Index (USD).

We will not pay you interest during the term of the ETNs. The ETNs do not have a minimum redemption or repurchase value and are fully exposed to any decline in the Index. Depreciation of the Index will reduce your payment at maturity or upon early repurchase or redemption of your ETNs, and you could lose your entire investment.

In addition, the daily redemption value, which is payable at maturity or upon early repurchase or redemption of your ETNs, will be reduced by the aggregate investor fee applicable to your ETNs. As a result, the level of the Index must increase by an amount sufficient to offset such reduction in order for you to receive at least your initial investment at maturity or upon early repurchase or redemption. If the level of the Index decreases or does not increase sufficiently, you will receive less, and possibly significantly less, than the amount of your initial investment at maturity or upon early repurchase or redemption.

For a description of how the payment at maturity and upon early repurchase or redemption, respectively, is calculated, please refer to the “Specific Terms of the ETNs—Payment at Maturity” and “Specific Terms of the ETNs—Payment upon Repurchase or Redemption” in this pricing supplement.

The denomination and stated face amount of each ETN is \$25.00. Any ETNs issued in the future may be issued at a price higher or lower than the stated face amount, based on the indicative value of the ETNs at that time (which is determined in the manner described in “Valuation of the ETNs” below). You will not have the right to receive physical certificates evidencing your ownership, except under limited circumstances. Instead, we will issue the ETNs in the form of a global certificate, which will be held by The Depository Trust Company (“DTC”) or its nominee. Direct and indirect participants in DTC will record beneficial ownership of the ETNs by individual investors. Accountholders in the Euroclear or Clearstream Banking clearance systems may hold beneficial interests in the ETNs through the accounts those systems maintain with DTC. You should refer to the section “Specific Terms of the ETNs—Forms of the ETNs” below and the sections “Description of Debt Securities—Form of Debt Securities; Book-Entry System” in the accompanying prospectus.

In addition, unlike ordinary debt securities, the ETNs are not principal protected and do not pay interest. Any payment on the ETNs is subject to the creditworthiness (i.e., the ability to pay) of RBS plc, as the issuer of the ETNs,

and RBSG, as the guarantor of the issuer's obligations under the ETNs.

What is the Index and who publishes the level of the Index?

The RBS Oil Trendpilot™ Index (USD) (the "Index") was created by The Royal Bank of Scotland plc, as index sponsor (the "Index Sponsor"). The Index was established on September 13, 2011 (the "Index inception date")

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with an Index closing level equal to 4,774.50. The Index was developed with a base value of 128.61 (the “Index Base Value”) on July 13, 1989 (the “Index Base Date”).

The Index utilizes a systematic trend-following strategy that provides exposure to either the RBS 12-Month Oil Total Return Index (USD) (Bloomberg symbol “12MOILTR” <Index>) (the “Benchmark Index”) or the yield on a hypothetical notional investment in 3-month U.S. Treasury bills as of the most recent weekly auction (the “Cash Rate” and, together with the Benchmark Index, the “Index Components”), depending on the relative performance of the Benchmark Index on a simple historical moving average basis. If the closing level of the Benchmark Index is at or above its historical 100-Index business day simple moving average for five consecutive Index business days (which we refer to in this pricing supplement as a “positive trend”), the Index will track the return on the Benchmark Index and will have no exposure to the Cash Rate until two Index business days after a negative trend occurs. Conversely, if the closing level of the Benchmark Index is below its historical 100-Index business day simple moving average for five consecutive Index business days (which we refer to in this pricing supplement as a “negative trend”), then the Index will track the Cash Rate and will have no exposure to the Benchmark Index until two Index business days after the next positive trend occurs. As of the date of this pricing supplement, the Index tracks the Cash Rate.

The trend of the Benchmark Index on any Index business day (the “Benchmark Index Trend”) is determined by comparing (a) the closing level for the Benchmark Index on such Index business day (the “Benchmark Index Closing Level”) to (b) the moving average of the Benchmark Index for the 100-Index business day period ending on, and including, such Index business day (the “Benchmark Index Simple Moving Average”). For any Index business day, the Benchmark Index Trend will be “positive” if the Benchmark Index Closing Level is equal to or greater than the Benchmark Index Simple Moving Average for each of the five consecutive Index business days ending on, and including, such Index business day. Conversely, the Benchmark Index Trend will be “negative” for any Index business day if the Benchmark Index Closing Level is less than the Benchmark Index Simple Moving Average for each of the five consecutive Index business days ending on, and including, such Index business day. If neither of those conditions is satisfied, then the Benchmark Index Trend will be the same as the Benchmark Index Trend on the immediately preceding Index business day.

Thus, the Benchmark Index Trend will switch only if there have been five consecutive Index business days where the Benchmark Index Closing Levels have been uniformly (a) below the Benchmark Index Simple Moving Average, in the case of the Benchmark Index Trend switching from positive to negative or (b) at or above the Benchmark Index Simple Moving Average, in the case of the Benchmark Index Trend switching from negative to positive. The Index will implement the change in the reference exposure at the open of trading on the second Index business day immediately following the Index business day on which the Benchmark Index Trend switches from positive to negative or from negative to positive, as the case may be.

An “Index business day” means any day on which each Exchange is scheduled to open for its regular trading sessions for at least three hours, in accordance with its holidays and hours schedule.

“Exchange” means (a) the primary exchange, trading market or association where light sweet crude oil (West Texas Intermediate or “WTI”) futures contracts are traded, which, as of the date of this pricing supplement, is the New York Mercantile Exchange (“NYMEX”) and (b) the exchange or quotation system, or any substitute exchange or quotation system, in which trading of 3-month U.S. Treasury bills, or derivatives that reference 3-month U.S. Treasury bills, principally occurs, in each case as determined by the Index Sponsor.

NYSE Arca, Inc. (“NYSE Arca”), or another party designated by the Index Sponsor, will act as the calculation agent for the Index (the “Index calculation agent”) and will be responsible for determining the Benchmark Index Trend, and for calculating and publishing the level of the Index on each Index business day, unless there is a disrupted day as

described under “The Index—Index Disruption Events” below. The Index closing level will generally be displayed on Bloomberg page “TPOILUT <Index>” (or on any successor page) by no later than 8:00 p.m. (New York City time) on each Index business day.

RBS plc is the Index Sponsor, the Benchmark Index Sponsor and an affiliate of RBSG and RBSSI.

For more information, please refer to “The Index” and “The Index—Background on the Index Components—The Benchmark Index” in this pricing supplement.

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What is the Benchmark Index and who publishes the level of the Benchmark Index?

The RBS 12-Month Oil Total Return Index (USD) (the “Benchmark Index”) was created by RBS plc and is calculated by NYSE Arca. The Benchmark Index was established on September 8, 2011 (the “Benchmark Index inception date”) with a Benchmark Index closing level equal to 2,694.22. The Benchmark Index was developed with a base value of 100.00 (the “Benchmark Index Base Value”) on February 13, 1989 (the “Benchmark Index Base Date”). The Benchmark Index utilizes a rules-based methodology to provide exposure to a hypothetical notional investment in a series of twelve (12) light sweet crude oil (WTI) futures contracts that are traded on the NYMEX. The twelve (12) futures contracts comprising the RBS 12-Month Oil Total Return Index (USD) on any given day will be the futures contract scheduled to expire in the immediately following calendar month and futures contracts scheduled to expire in each of the eleven months thereafter. The RBS 12-Month Oil Total Return Index (USD) is rebalanced on a monthly basis so that each of the twelve (12) futures contracts is equally weighted upon each rebalancing. For more information, see “The Index—Background on the Index Components—The Benchmark Index” in this pricing supplement.

Will I receive interest on my ETNs?

No. We will not make any periodic payments of interest or any other payments on the ETNs during the term of the ETNs. Unless you elect to have your ETNs repurchased by us or we elect to redeem your ETNs, you will not receive any payments on the ETNs prior to maturity of the ETNs.

What will I receive at maturity of the ETNs and how is that amount calculated?

Unless your ETNs have been previously repurchased or redeemed by us, the ETNs will mature on September 13, 2041, subject to postponement if such day is not a business day or if the final valuation date is postponed as described below. Further details on the conditions and the procedures applicable to any such repurchase or redemption are set forth in this pricing supplement.

If your ETNs have not been previously repurchased or redeemed by us, at maturity you will receive a cash payment in an amount equal to the daily redemption value of your ETNs on September 10, 2041 (the “final valuation date”). RBSSI, acting as calculation agent, will determine such daily redemption value in the manner described under “—How is the daily redemption value for my ETNs calculated?” below and “Specific Terms of the ETNs—Daily Redemption Value” in this pricing supplement.

If the final valuation date is not a trading day or if a market disruption event exists on the final valuation date, then the calculation agent will postpone the determination of the daily redemption value for the final valuation date by up to five business days, in which case the maturity date will be postponed to the third business day immediately following the final valuation date, as postponed, and the calculation agent will determine the daily redemption value as described under “Specific Terms of the ETNs—Postponement of a Valuation Date” in this pricing supplement. In the event that payment at maturity is deferred beyond the stated maturity date as provided herein, no interest or other amount will accrue or be payable with respect to that deferred payment.

For more information on market disruption events and their effect on the calculation of the payment you will receive at maturity, see “Specific Terms of the ETNs—Payment at Maturity” and “Specific Terms of the ETNs—Postponement of a Valuation Date” in this pricing supplement.

Any payment at maturity is subject to the ability of RBS plc, as the issuer of the ETNs, and RBSG, as the guarantor of the issuer's obligations under the ETNs, to pay their respective obligations as they become due.

Will I get all of my investment back at maturity?

The ETNs are not principal protected. If your ETNs have not been previously repurchased or redeemed by us, at maturity you will receive a cash payment equal to the daily redemption value of your ETNs, determined as described in this pricing supplement. Such daily redemption value may be less than the stated face amount of

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your ETNs or the price that you paid for them. You may not get the face amount at maturity, and you may lose some or all of your investment.

Further, any payment on the ETNs is subject to the ability of RBS plc, as the issuer of the ETNs, and RBSG, as the guarantor of the issuer's obligations under the ETNs, to pay their respective obligations as they become due.

When can my ETNs be repurchased or redeemed and how is the amount payable upon repurchase or redemption calculated?

Subject to certain restrictions, on any business day from, and including, the initial issuance of the ETNs on the initial settlement date to, and including, September 5, 2041, you may offer your ETNs to us for repurchase. If you choose to offer your ETNs for repurchase, you must offer at least the applicable minimum repurchase amount to us for repurchase on any repurchase date in accordance with the procedures described under “—How do I offer my ETNs for repurchase by RBS plc?” below. The minimum repurchase amount will be equal to 20,000 ETNs for any single repurchase; provided that RBS plc may, in its sole discretion, from time to time, reduce the minimum repurchase amount. Any such reduction will be applied on a consistent basis for all holders of the ETNs from the time the reduction becomes effective. Subject to any reduction in the minimum repurchase amount by RBS plc, if you offer at least 20,000 ETNs to us for repurchase and fulfill the repurchase procedures described under “—How do I offer my ETNs for repurchase by RBS plc?” below, we will be obligated to repurchase your ETNs on the applicable repurchase date.

In addition, we may, in our sole discretion, redeem the ETNs, in whole but not in part, at any time during the period from, and including, the initial settlement date, to, and including, September 11, 2041. If we exercise our right to redeem the ETNs, we will deliver an irrevocable redemption notice to DTC (the holder of the global note) not less than five business days prior to the applicable redemption date. The last day on which we can deliver a redemption notice is September 4, 2041.

If your ETNs are repurchased or redeemed, on the corresponding repurchase date or redemption date, as the case may be, you will receive a cash payment on such date in an amount per ETN equal to the daily redemption value of the ETNs on the applicable valuation date. The calculation agent will determine the daily redemption value in the manner described under “—How is the daily redemption value for my ETNs calculated?” below and “Specific Terms of the ETNs—Daily Redemption Value” in this pricing supplement.

The repurchase date applicable to any repurchase will be the third business day immediately following the valuation date for such repurchase. The redemption date will be specified in the redemption notice and will not be less than five business days or more than ten business days after the date of the redemption notice. The applicable valuation date will be:

- in the case of a repurchase of ETNs at your option, the trading day immediately following the business day on which you make, or are deemed to have made, your offer and confirmation to us to repurchase your ETNs; and
- in the case of a redemption, the trading day immediately following the business day on which we deliver the relevant redemption notice to DTC (the holder of the global note).

If a valuation date for any repurchase or redemption is not a trading day or if a market disruption event exists on such valuation date, then the calculation agent will postpone the valuation date as described under “Specific Terms of the ETNs—Postponement of a Valuation Date” by up to five business days. If any valuation date is postponed, the repurchase date or redemption date, as the case may be, will be postponed to the third business day immediately

following such valuation date, as postponed, and the calculation agent will determine the daily redemption value as described under “Specific Terms of the ETNs—Postponement of a Valuation Date” in this pricing supplement. In the event that payment upon repurchase or redemption by RBS plc is deferred beyond the original repurchase date or redemption date, as the case may be, as provided herein, no interest or other amount will accrue or be payable with respect to that deferred payment. For more information on market disruption events and their effect on the calculation of the payment you will receive at maturity, see “Specific Terms of the

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ETNs—Payment upon Repurchase or Redemption” and “Specific Terms of the ETNs—Postponement of a Valuation Date” in this pricing supplement.

Any payment upon repurchase of the ETNs is subject to the ability of RBS plc, as the issuer of the ETNs, and RBSG, as the guarantor of the issuer’s obligations under the ETNs, to pay their respective obligations as they become due.

How do I offer my ETNs for repurchase by RBS plc?

If you wish to offer your ETNs to us for repurchase, you and your broker must follow the following procedures:

- Your broker must deliver an irrevocable offer for repurchase, a form of which is attached as Annex A to this pricing supplement, to us by e-mail at ETNUSCorpActions@rbs.com. If your offer for repurchase is received by us after 4:00 p.m., New York City time, on a business day, you will be deemed to have delivered your offer for repurchase on the following business day.