



Information Circular: The Royal Bank of Scotland N.V.

To: Head Traders, Technical Contacts, Compliance Officers, Heads of ETF Trading, Structured Products Traders

From: NASDAQ / BX / PHLX Listing Qualifications Department

Date: December 13, 2011

Exchange-Traded Notes

Symbol **CUSIP #**

RBS NASDAQ-100 Trendpilot Exchange-Traded Notes

TNDQ 78009P143

Information on the Notes

The Royal Bank of Scotland N.V. (the "Issuer") has issued Exchange Traded Notes ("ETNs" or "Notes") linked to the RBS NASDAQ-100 Trendpilot Index (the "Index"). The Notes were priced at \$25. The ETNs do not pay any interest during their term and do not guarantee any return of principal at maturity or upon redemption.

The return on the ETNs will be based on the performance of the Index during the term of the ETNs. The Index was created by The Royal Bank of Scotland plc (the "Index Sponsor"), which has contracted with The NASDAQ OMX Group, Inc. (the "Index calculation agent") to calculate the Index, either directly or through a third party. Currently, the Index is calculated by Standard & Poor's ("S&P") on behalf of the Index calculation agent. The level of the Index is reported on Bloomberg under the ticker symbol "TPNDQUT <Index>." The Index provides exposure to either the NASDAQ-100 Total Return 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.

If the ETNs have not previously been repurchased or redeemed by the Issuer, at maturity investors will receive a cash payment equal to the daily redemption value of the 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).

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.

If the daily redemption value per ETN equals zero, the ETNs will be automatically accelerated on such day and will cease to be outstanding thereafter. In such event, investors will not receive any payment in respect of their investment and will lose their entire investment in the ETNs.

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.

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.

The annual investor fee will be equal to (a) 1.00% 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.

Please see the prospectus for the Notes for more details regarding the calculations and details regarding the Index.

It is expected that the market value of the Notes will depend substantially on the value of the Index and may be affected by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of the Index, the time remaining to maturity, the dividend yield of the stocks comprising the Index, and the credit ratings of the Issuer.

Trading in the Notes on NASDAQ is on a UTP basis and is subject to NASDAQ equity trading rules. Trading in the Notes on BX is on a UTP basis and is subject to BX equity trading rules. Trading in the Notes on PHLX's PSX system is on a UTP basis and is subject to PHLX rules. The Notes will trade on NASDAQ from 7:00 a.m. until 8:00 p.m. Eastern Time. The Notes will trade on BX from 8:00 a.m. until 7:00 p.m. Eastern Time. The Notes will trade on PSX from 9:00 a.m. until 5:00 p.m. Eastern Time. For trading during each market's pre-market and post-market sessions, market participants should note that additional risks may exist with respect to trading the Notes during these sessions, when the underlying index's value or similar value may not be disseminated.

NASDAQ will halt trading in the Notes in accordance with NASDAQ Rule 4120. BX will halt trading in the Notes in accordance with BX Equity Rule 4120. PHLX will halt trading in the Notes in accordance with PHLX Rule 3100. The grounds for a halt under each of these rules include a halt by the primary market because the value of the underlying index or a similar value is not being disseminated as required, or a halt for other regulatory reasons. In addition, NASDAQ, BX and PHLX will also stop trading the Notes if the primary market delists the Notes.

Trading of the Notes on NASDAQ is subject to the provisions of NASDAQ Rule 2310. Trading of the Notes on BX is subject to the provisions of BX Rule 2310. Members recommending

transactions in the Notes to customers should make a determination that the securities are suitable for the customer. In addition, members must possess sufficient information to satisfy the “know your customer” obligation that is embedded in the NASDAQ Conduct Rules and BX Conduct Rules.

Members and member organizations recommending transactions in the Notes to customers should make a determination that the recommendation is suitable for the customer, as provided by PHLX Rule 763.

Nasdaq members, BX members and PHLX members and member organizations should also review NASD Notice to Members 03-71 for guidance on trading these products. The Notice reminds members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

This Information Circular is not a statutory prospectus. NASDAQ members, BX members and PHLX members and member organizations should consult the registration statement or prospectus for the Notes for additional information.

Inquiries regarding this Information Circular should be directed to:

- Will Slattery, Listing Qualifications, at 301.978.8088
- NASDAQ / BX/ PSX Market Sales at 800.846.0477