

Dated 31 August 2011

RBS HOLDINGS N.V.
and
THE ROYAL BANK OF SCOTLAND N.V.

REGISTRATION DOCUMENT

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INTRODUCTION

This document constitutes a registration document ("**Registration Document**") for the purposes of Article 5.3 of Directive 2003/71/EC (the "**Prospectus Directive**") and has been prepared for the purpose of giving information with respect to RBS Holdings N.V. (previously named ABN AMRO Holding N.V.) ("**RBS Holdings**") and The Royal Bank of Scotland N.V. (previously named ABN AMRO Bank N.V.) ("**RBS N.V.**"), each of whose registered office address appears on the last page of this Registration Document, and their respective consolidated subsidiaries which, according to the particular nature of RBS Holdings and RBS N.V. and the securities which they may offer to the public or apply to have admitted to trading on a regulated market, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of RBS Holdings and RBS N.V.

RBS Holdings and RBS N.V. accept responsibility for the information contained in this Registration Document. To the best of the knowledge of RBS Holdings and RBS N.V. (each of which has taken all reasonable care to ensure that such is the case), the information contained in this Registration Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Registration Document was approved by The Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*, the "**AFM**") for the purposes of the Prospectus Directive on 31 August 2011.

The Commissioners of Her Majesty's Treasury ("**HM Treasury**") have neither reviewed this Registration Document nor verified the information contained in it, and HM Treasury makes no representation with respect to, and does not accept any responsibility for, the contents of this Registration Document or any other statement made or purported to be made on its behalf in connection with RBS Holdings or RBS N.V. or the issue and offering of securities by either of them. HM Treasury accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Registration Document or any such statement.

CERTAIN DEFINITIONS

Throughout this Registration Document, the “**Group**” refers to RBS Holdings and its consolidated subsidiaries. The term “**RBSG**” refers to The Royal Bank of Scotland Group plc and the “**RBSG Group**” refers to RBSG and its subsidiaries consolidated in accordance with International Financial Reporting Standards. The term “**RBS**” refers to The Royal Bank of Scotland plc.

The terms “**Consortium**” and “**Consortium Members**” refer to RBSG, Fortis N.V. and Fortis S.A./N.V. (together “**Fortis**”) and Banco Santander S.A. (“**Santander**”) who jointly acquired RBS Holdings on 17 October 2007 through RFS Holdings B.V. (“**RFS Holdings**”). On 3 October 2008, the State of The Netherlands (the “**Dutch State**”) acquired Fortis Bank Nederland (Holding) N.V., including the interest in RFS Holdings that represents the acquired activities of ABN AMRO Holding N.V. (prior to legal separation, as discussed below) and effectively became the successor of Fortis in the Consortium Shareholder Agreement entered into between RBSG, Fortis, Fortis Bank Nederland (Holding) N.V. and Santander on 28 May 2007.

The term “**legal demerger**” refers to the legal demerger (*juridische splitsing*) under Title 7, Section 4 of Book 2 of the Dutch Civil Code of ABN AMRO Holding N.V. into RBS N.V. and the new ABN AMRO Bank as effected by the transfer of the Dutch State acquired businesses to the new ABN AMRO Bank from RBS N.V. with effect from 6 February 2010 and includes, for the avoidance of doubt, certain subsidiaries and assets and liabilities that were separately transferred to the new ABN AMRO Bank ahead of the execution of the legal demerger and some further assets and liabilities that may separately be transferred to the new ABN AMRO Bank around the same time or shortly after the execution of the legal demerger.

The term “**legal separation**” refers to the legal separation of ABN AMRO Bank N.V. that occurred on 1 April 2010, with the shares in that entity being transferred by RBS Holdings to a holding company called ABN AMRO Group N.V., which is owned by the Dutch State.

The “**new ABN AMRO Bank**” means ABN AMRO Bank N.V. (previously named ABN AMRO II N.V.) and its consolidated subsidiaries.

RISK FACTORS

Prospective investors should consider carefully the risks set forth below and the other information set out elsewhere in this Registration Document (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision with respect to any securities of RBS Holdings or RBS N.V.

*Set out below are certain risk factors which could have a material adverse effect on the business, operations, financial condition or prospects of the Group and cause the Group's future results to be materially different from expected results. The Group's results could also be affected by competition and other factors. In addition, RBS N.V. is a principal operating subsidiary of RBSG. Accordingly, risk factors below which relate to RBSG or to the RBSG Group will also be of relevance to prospective investors making an investment decision with respect to the securities issued by RBS Holdings and RBS N.V. Specifically, the section headed "Risk Factors" on pages 3 to 25 of the RBSG Registration Document (the "**RBSG Risk Factors**") is incorporated by reference into this Prospectus.*

The factors discussed below and incorporated by reference herein should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties the Group's businesses face. RBS Holdings and RBS N.V. have described only those risks relating to their operations that they consider to be material. There may be additional risks that RBS Holdings and RBS N.V. currently consider not to be material or of which they are not currently aware, and any of these risks could have the effects set forth above. All of these factors are contingencies which may or may not occur and neither RBS Holdings nor RBS N.V. is in a position to express a view on the likelihood of any such contingency occurring. Investors should note that they bear the solvency risk of RBS Holdings and/or RBS N.V. Each of the risks highlighted below could have a material adverse effect on the amount of principal and interest which investors will receive in respect of securities issued by RBS Holdings or RBS N.V. In addition, each of the risks highlighted below could adversely affect the trading price of such securities or the rights of investors under such securities and, as a result, investors could lose some or all of their investment.

The Group is reliant on the RBSG Group

The Group is part of the RBSG Group and receives capital, liquidity and funding support from the RBSG Group. The Group also receives certain services from the RBSG Group and has access to the infrastructure of the RBSG Group which the Group requires in order to operate its business. The reduction or cessation of the ability of the RBSG Group to provide intra-group funding, capital injections, liquidity or other support directly or indirectly to the Group may result in funding or capital pressures and liquidity stress for the Group and may have a material adverse effect on the operations, financial condition and results of operations of the Group. In the event that the proposed transfers of a substantial part of the business activities from RBS N.V. to RBS as discussed in the risk factor below headed "The execution and/or any delay in the execution (or non-completion) of the approved proposed transfers of a substantial part of the business activities of RBS N.V. to RBS may have a material adverse effect on the Group and may also negatively impact the value of securities issued by RBS Holdings and RBS N.V." are implemented, in whole or in part, the residual Group will become more reliant on the RBSG Group for capital, liquidity and funding support than it is currently. Accordingly, risk factors which relate to RBSG or the RBSG Group will also be of relevance to prospective investors. See also the RBSG Risk Factors which are incorporated by reference herein.

The Group's businesses and performance can be negatively affected by actual or perceived global economic and financial market conditions and by other geopolitical risks

The Group's businesses and performance are influenced by local and global economic conditions and perceptions of those conditions and future economic prospects. The outlook for the global economy over the near to medium term remains challenging, particularly in The Netherlands, the United Kingdom, other European economies and the United States, and many forecasts predict only modest levels of GDP growth across a number of the Group's key markets over that period. Despite significant interventions by governments and other non-governmental bodies, capital and credit markets around the world continue to be volatile and be subject to intermittent and prolonged disruptions. In particular, during the last year, a heightened perceived risk of sovereign default relating to certain EU member states has had a negative impact on capital and credit markets. Such challenging economic and market conditions exert downward pressure on asset prices and on credit availability, and upward pressure on funding costs, and may continue to impact asset recovery rates and the credit quality of the Group's businesses, customers and counterparties, including sovereigns. In particular, the Group has significant exposure to customers and counterparties within the European Union, which includes sovereign debt exposures that have been, and may in the future be, affected by restructuring of their terms, principal, interest and maturity. These exposures have resulted in the Group making significant provisions and recognising significant write-downs in prior periods, which may also occur in future periods.

These conditions, alone or in combination with regulatory changes or actions of market participants, may also cause the Group to experience reduced activity levels, additional write-downs and impairment charges and lower profitability, and may restrict the ability of the Group to access funding and liquidity and have a negative impact on the value of the Securities. In particular, should the scope and severity of the adverse economic conditions currently experienced by some EU member states and elsewhere worsen, the risks faced by the Group would be exacerbated.

By virtue of the Group's global presence, the Group is also exposed to risks arising out of geopolitical events, such as the existence of trade barriers, the implementation of exchange controls and other measures taken by sovereign governments that can hinder economic or financial activity levels. Furthermore, unfavourable political, military or diplomatic events, armed conflict, pandemics and terrorist acts and threats, and the response to them by governments could also adversely affect levels of economic activity and have an adverse effect upon the Group's business, financial condition and results of operations.

An extensive restructuring and balance sheet reduction programme of the RBSG Group is ongoing and may adversely affect the Group's business, results of operations, financial condition, capital ratios and liquidity and may also negatively impact the value of securities issued by RBS Holdings and RBS N.V.

As part of the restructuring by RBSG of its businesses, operations and assets and the Group's refocus on core strengths and its disposal programme, RBS Holdings has been restructured into Core and Non-Core components. The Group expects to substantially run down or dispose of the businesses, assets and portfolios within the Non-Core division by 2013 and, during the course of 2010 and the first half of 2011, it concluded the sales of businesses in Latin America, Asia, Europe and the Middle East.

Because the ability to dispose of assets and the price achieved for such disposals will be dependent on prevailing economic and market conditions, which may remain challenging, there is no assurance that the Group will be able to sell or run-down (as applicable) those remaining businesses it is seeking to exit either on favourable economic terms to the Group or at all. In addition, tax liabilities could arise on the disposal of assets. Furthermore, there is no assurance that any conditions precedent agreed will be satisfied, or consents and approvals required will be obtained in a timely manner, or at all.

In addition, the Group may be liable for any deterioration in businesses being sold between the announcement of the disposal and its completion, which period may be lengthy and may span many months. In addition, the Group may be exposed to certain risks until completion, including risks arising out of ongoing liabilities and obligations, breaches of covenants, representations and warranties, indemnity claims, transitional services arrangements and redundancy or other transaction-related costs.

The occurrence of any of the risks described above could negatively affect the Group's ability to implement its strategic plan and have a material adverse effect on the Group's business, results of operations, financial condition, capital ratios and liquidity and could result in a loss of value in the Securities.

The execution and/or any delay in the execution (or non-completion) of the approved proposed transfers of a substantial part of the business activities of RBS N.V. to RBS may have a material adverse effect on the Group and may also negatively impact the value of securities issued by RBS Holdings and RBS N.V.

As part of the restructuring of the RBSG Group businesses, operations and assets, on 19 April 2011, the boards of RBSG, RBS, RBS Holdings and RBS N.V. approved the proposed transfers of a substantial part of the business activities of RBS N.V. to RBS (the “**Proposed Transfers**”), subject, among other matters, to regulatory and other approvals, further tax and other analysis in respect of the assets and liabilities to be transferred and employee consultation procedures. It is expected that the Proposed Transfers (which exclude the Shared Assets (as defined on page 22 of the Registration Document)) will be implemented on a phased basis over a period ending on 31 December 2013. A large part of the Proposed Transfers (including the transfers of certain securities issued by RBS N.V.) is expected to have taken place by the end of 2012.

The process for implementing the Proposed Transfers is complex and any failure to satisfy any conditions or complete any preliminary steps to each Proposed Transfer may cause a delay in its completion (or result in its non-completion). If any of the Proposed Transfers is delayed (or is not completed) for any reason, such as a failure to secure required regulatory approvals, it is possible that the relevant regulatory authorities could impose sanctions which could adversely impact the minimum regulatory requirements for capital and liquidity of RBS N.V. A delay in implementation of (or any failure to implement) any of the Proposed Transfers may therefore adversely impact RBS N.V.'s capital and liquidity resources and requirements with consequential adverse impacts on its funding resources and requirements potentially resulting in an increase in its reliance on the RBSG Group.

The Proposed Transfers include a proposal to change the issuer of a number of securities issued by RBS N.V. as well as some or all of the securities to be issued by RBS N.V. up to the date(s) that the Proposed Transfers take effect. However, there is no assurance that any securities will be transferred to RBS or, if transferred, when such transfer may take place. RBSG is committed to providing the necessary support to ensure RBS N.V. continues to meet its commitments during and after the Proposed Transfers. Nevertheless, it is possible that the Proposed Transfers might

have a material adverse impact on the Group's business, financial condition, results of operations and prospects, and an adverse impact on RBS N.V.'s credit ratings, and may also negatively impact the value of the securities issued by RBS N.V. (the "**Securities**"). If securities issued by RBS N.V. are transferred to RBS, the fact of such transfer and/or the fact that RBS is a Scottish incorporated company might impact holders of such securities, whether for tax reasons or otherwise.

Lack of liquidity is a risk to the Group's business and there is a risk that the Group's ability to access sources of liquidity and funding could become constrained

Liquidity risk is the risk that a bank will be unable to meet its obligations, including funding commitments, as they fall due. This risk is inherent in banking operations and can be heightened by a number of factors, including an over-reliance on a particular source of wholesale funding (including, for example, short-term and overnight funding), changes in credit ratings or market-wide phenomena such as market dislocation and major disasters. Credit markets worldwide have experienced severe reductions in liquidity and term-funding during prolonged periods in recent years. Consequently, the market perception of bank credit risk has changed significantly and banks that are deemed by the market to be riskier have issued debt at a premium to the cost of debt for banks that are perceived by the market as being safer. Any uncertainty regarding the perception of credit risk across financial institutions may lead to reductions in inter-bank lending, and may restrict the Group's access to traditional sources of liquidity.

At certain times during periods of liquidity stress, the Group has been required to rely on shorter term and overnight funding with a consequent reduction in overall liquidity, and to increase its recourse to liquidity schemes provided by central banks. Any further tightening of credit markets could have a materially adverse impact on the Group. There is also a risk that corporate and financial institution counterparties may seek to reduce their credit exposures to banks and other financial institutions, which may cause funding from these sources no longer to be available. Under such circumstances, the Group may need to seek funds from alternative sources and potentially at higher costs than has previously been the case or may be required to consider disposals of other assets not previously identified for disposal to reduce its funding commitments. In the context of its liquidity management efforts, the Group has sought to increase the average maturity of its wholesale funding, which has had the effect of increasing the Group's overall cost of funding.

The financial performance of the Group has been materially affected by deteriorations in borrower and counterparty credit quality and it may continue to be impacted by any further deteriorations, including as a result of prevailing economic and market conditions, and legal and regulatory developments

The Group has exposure to many different industries and counterparties, and risks arising from actual or perceived changes in credit quality and the recoverability of monies due from borrowers and counterparties are inherent in a wide range of the Group's businesses. In particular, the Group has significant exposure to certain individual counterparties in weakened business sectors and geographic markets and also has concentrated country exposure in The Netherlands and across the rest of Europe, the United States and within certain business sectors, namely financial institutions and natural resources sectors.

The Group may continue to see adverse changes in the credit quality of its borrowers and counterparties, for example as a result of their inability to refinance their debts, with increasing

delinquencies, defaults and insolvencies across a range of sectors and in a number of geographic markets. Since the credit quality of the Group's borrowers and counterparties is impacted by prevailing economic and market conditions and by the legal and regulatory landscape in their respective markets, a significant deterioration in economic and market conditions or changes to legal or regulatory landscapes could worsen borrower and counterparty credit quality and also impact the Group's ability to enforce contractual security rights. In addition, the Group's credit risk is exacerbated when the collateral it holds cannot be realised or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure that is due to the Group, which is most likely to occur during periods of illiquidity and depressed asset valuations, such as those experienced in recent years. Any such losses could have an adverse effect on the Group's results of operations and financial condition or result in a loss of value in the Securities.

The trends and risks affecting borrower and counterparty credit quality have caused, and in the future may cause, the Group to experience further and accelerated impairment charges, higher costs, additional write-downs and losses for the Group and an inability to engage in routine funding transactions, and may result in a loss of value in the Securities.

The Group's earnings and financial condition have been, and its future earnings and financial condition may continue to be, materially affected by depressed asset valuations resulting from poor market conditions

Financial markets continue to be subject to significant stress conditions, where steep falls in perceived or actual asset values have been accompanied by a severe reduction in market liquidity, as exemplified by losses arising out of asset-backed collateralised debt obligations, residential mortgage-backed securities and the leveraged loan market. In dislocated markets, hedging and other risk management strategies may not be as effective as they are in normal market conditions due in part to the decreasing credit quality of hedge counterparties. Severe market events have resulted in the Group recording large write-downs on its credit market exposures in recent years. Any deterioration in economic and financial market conditions could lead to further impairment charges and write-downs. Moreover, market volatility and illiquidity (and the assumptions, judgements and estimates in relation to such matters that may change over time and may ultimately not turn out to be accurate) make it difficult to value certain of the Group's exposures. Valuations in future periods, reflecting, among other things, then prevailing market conditions and changes in the credit ratings of certain of the Group's assets, may result in significant changes in the fair values of the Group's exposures, even in respect of exposures, such as credit market exposures, for which the Group has previously recorded write-downs. In addition, the value ultimately realised by the Group may be materially different from the current or estimated fair value. Any of these factors could require the Group to recognise further significant write-downs in addition to those already recorded or realised or realise increased impairment charges, which may have a material adverse effect on its financial condition and its results of operations or result in a loss of value in the Securities.

Further information about the write-downs which the Group has incurred and the assets it has reclassified during the year ended 31 December 2010 is set out in the 2010 Annual Report (as defined in "Documents Incorporated by Reference" below), which is incorporated by reference herein.

Changes in interest rates, foreign exchange rates, credit spreads, bond, equity and commodity prices, basis, volatility and correlation risks and other market factors

have significantly affected and will continue to affect the Group's business and results of operations

Some of the most significant market risks the Group faces are interest rate, foreign exchange, credit spread, bond, equity and commodity price and basis, volatility and correlation risks. Changes in interest rate levels, yield curves and spreads may affect the interest rate margin realised between lending and borrowing costs, the effect of which may be heightened during periods of liquidity stress. Changes in currency rates, particularly in the euro-sterling and euro-US dollar exchange rates, affect the value of assets, liabilities, income and expenses denominated in non-euro currencies and the reported earnings of RBS Holding's non-United Kingdom subsidiaries and may affect RBS Holdings' reported consolidated financial condition or the Group's income from foreign exchange dealing. For accounting purposes, the Group values some of its issued debt, such as debt securities, at the current market price. Factors affecting the current market price for such debt, such as the credit spreads of the Group, may result in a change to the fair value of such debt, which is recognised in the income statement as a profit or loss.

The performance of financial markets affects bond, equity and commodity prices, which has caused, and may in the future cause, changes in the value of the Group's investment and trading portfolios. As part of its ongoing derivatives operations, the Group also faces significant basis, volatility and correlation risks, the occurrence of which are also impacted by the factors noted above. While the Group has implemented risk management methods to mitigate and control these and other market risks to which it is exposed, it is difficult, particularly in the current environment, to predict with accuracy changes in economic or market conditions and to anticipate the effects that such changes could have on the Group's financial performance and business operations.

The Group's borrowing costs, its access to the debt capital markets and its liquidity depend significantly on its credit ratings

The credit rating of RBS N.V. has been subject to change and may change in the future, which could impact its cost of, access to and sources of financing and liquidity. In particular, any future reductions in the long-term or short-term credit ratings of RBS N.V. would further increase the Group's borrowing costs, require the Group to replace funding lost due to the downgrade, which may include the loss of customer deposits, and may also limit the Group's access to capital and money markets and trigger additional collateral requirements in derivatives contracts and other secured funding arrangements. The credit ratings of RBS N.V. are also important to the Group when competing in certain markets. As a result, any further reductions in RBS N.V.'s long-term or short-term credit ratings could adversely affect the Group's access to liquidity and its competitive position, increase its funding costs and have a material adverse impact on the Group's earnings, cash flow and financial condition or result in a loss of value in the Securities.

The Group's business performance could be adversely affected if its capital is not managed effectively or as a result of changes to capital adequacy and liquidity requirements

Effective management of the Group's capital is critical to its ability to operate its businesses, to grow organically and to pursue its strategy of returning to standalone strength. The Group is required by regulators in The Netherlands and other jurisdictions in which it undertakes regulated activities to maintain adequate capital resources. The maintenance of adequate capital is also necessary for the Group's financial flexibility in the face of continuing turbulence and uncertainty in the global economy.

The package of reforms to the regulatory capital framework published by the Basel Committee on Banking Supervision (the “**Basel Committee**”) in December 2010 includes materially increasing the minimum common equity requirement and the total Tier 1 capital requirement. In addition, banks will be required to maintain, in the form of common equity (after the application of deductions), a capital conservation buffer to withstand future periods of stress, bringing the total common equity requirements to 7 per cent. If there is excess credit growth in any given country resulting in a system-wide build-up of risk, a countercyclical buffer within a range of 0 per cent. to 2.5 per cent. of common equity is to be applied as an extension of the conservation buffer. In addition, a leverage ratio will be introduced, together with a liquidity coverage ratio and a net stable funding ratio. The Basel Committee is conducting further work on systemically important financial institutions and contingent capital. Measures may include capital surcharges, contingent capital and bail-in debt (which could be introduced by statute, possibly impacting existing as well as future issues of debt and exposing them to the risk of conversion into equity and/or write-down of principal amount). Such measures would be in addition to proposals for the write-off of Tier 1 and Tier 2 debt (and its possible conversion into ordinary shares) if a bank becomes non-viable. On 20 July 2011, the Basel Committee proposed that global systemically important banks be subject to an additional common equity Tier 1 capital requirement ranging from 1 per cent. to 2.5 per cent, depending on a bank’s systemic importance. To provide a disincentive for banks facing the highest charge to increase materially their global systemic importance in the future, an additional 1 per cent. surcharge would be applied in such circumstances. Final recommendations will be submitted to the G20 summit on 3-4 November 2011.

The implementation of the Basel III reforms will begin on 1 January 2013; however, the requirements are subject to a series of transitional arrangements and will be phased in over a period of time, to be fully effective by 2019.

To the extent the Group has estimated the indicative impact that Basel III reforms may have on its risk-weighted assets and capital ratios, such estimates are preliminary and subject to uncertainties and may change. In particular, the estimates assume mitigating actions will be taken by the Group (such as deleveraging of legacy positions and securitisations, including non-core, as well as other actions being taken to de-risk market and counterparty exposures), which may not occur as anticipated, in a timely manner, or at all.

The Basel Committee changes and other future changes to capital adequacy and liquidity requirements in The Netherlands and in other jurisdictions in which the Group operates, including any application of increasingly stringent stress case scenarios by the regulators in The Netherlands and other jurisdictions in which the Group undertakes regulated activities, may require the Group to raise additional Tier 1 (including Core Tier 1) and Tier 2 capital by way of further issuances of securities and will result in existing Tier 1 and Tier 2 securities issued by the Group ceasing to count towards the Group’s regulatory capital, either at the same level as at present or at all. If the Group is unable to raise the requisite Tier 1 and Tier 2 capital, it may be required to further reduce the amount of its risk-weighted assets and engage in the disposal of core and other non-core businesses, which may not occur on a timely basis or achieve prices which would otherwise be attractive to the Group.

As at 30 June 2011, the Group’s Tier 1 and Core Tier 1 capital ratios were 9.6 per cent. and 7.4 per cent., respectively, calculated in accordance with Dutch Central Bank (*De Nederlandsche Bank N.V.*) requirements. Any change that limits the Group’s ability to manage effectively its balance sheet and capital resources going forward (including, for example, reductions in profits and retained earnings as a result of write-downs or otherwise, increases in risk-weighted assets, delays in the disposal of certain assets or the inability to syndicate loans as a result of market conditions, a growth in unfunded pension exposures or otherwise) or to access funding sources,

could have a material adverse impact on its financial condition and regulatory capital position or result in a loss of value in the Securities.

The value of certain financial instruments recorded at fair value is determined using financial models incorporating assumptions, judgements and estimates that may change over time or may ultimately not turn out to be accurate

Under International Financial Reporting Standards as adopted by the European Union (“IFRS”), the Group recognises at fair value: (i) financial instruments classified as “held-for-trading” or “designated as at fair value through profit or loss”; (ii) financial assets classified as “available-for-sale”; and (iii) derivatives, each as further described in “Financial Statements – Accounting policies - Fair value – financial instruments” on pages 110 and 111 of the 2010 Annual Report. Generally, to establish the fair value of these instruments, the Group relies on quoted market prices or, where the market for a financial instrument is not sufficiently active, internal valuation models that utilise observable market data. In certain circumstances, the data for individual financial instruments or classes of financial instruments utilised by such valuation models may not be available or may become unavailable due to prevailing market conditions. In such circumstances, the Group’s internal valuation models require the Group to make assumptions, judgements and estimates to establish fair value, which are complex and often relate to matters that are inherently uncertain. These assumptions, judgements and estimates will need to be updated to reflect changing facts, trends and market conditions. The resulting change in the fair values of the financial instruments has had and could continue to have a material adverse effect on the Group’s earnings and financial condition or result in a loss of value in the Securities.

The Group operates in markets that are highly competitive and its business and results of operations may be adversely affected

The competitive landscape for banks and other financial institutions in The Netherlands, the United Kingdom, the United States and throughout the rest of Europe is subject to rapid change and recent regulatory and legal changes are likely to result in new market participants and changed competitive dynamics in certain key areas. In order to compete effectively, certain financial institutions may seek to consolidate their businesses or assets with other parties. This consolidation, in combination with the introduction of new entrants into the markets in which the Group operates, is likely to increase competitive pressures on the Group.

In addition, certain competitors may have access to lower cost funding than the Group and may have stronger and more efficient operations. Furthermore, the Group’s competitors may be better able to attract and retain clients and key employees, which may have a negative impact on the Group’s relative performance and future prospects. In addition, future disposals and restructurings by the Group and the compensation structure and restrictions imposed on the Group may also have an impact on its ability to compete effectively. These and other changes to the competitive landscape could adversely affect the Group’s business, margins, profitability, financial condition and prospects or result in a loss of value in the Securities.

As a condition to the RBSG Group receiving HM Treasury support, the Group is prohibited from making discretionary coupon payments on, and exercising call options in relation to, certain of its existing hybrid capital instruments, which may impair the Group's ability to raise new capital through the issuance of Securities

The RBSG Group was required to obtain State Aid approval for the aid given to the RBSG Group by Her Majesty's Treasury in the United Kingdom ("**HM Treasury**") as part of the placing and open offer undertaken by RBSG in December 2008, the issuance of £25.5 billion of B shares in the capital of RBSG which are, subject to certain terms and conditions, convertible into ordinary shares in the share capital of RBSG to HM Treasury, a contingent commitment by HM Treasury to subscribe for up to an additional £8 billion of B shares in the capital of RBSG Group if certain conditions are met and the RBSG Group's participation in the United Kingdom Government's Asset Protection Scheme (the "**APS**"), which covers, among other things, a pool of assets within the businesses of the Group (the former ABN AMRO Holding N.V. group) that were acquired by the RBSG Group (together, the "**State Aid**"). In that context, as part of the terms of the State Aid approval, the RBSG Group, together with HM Treasury, agreed with the terms of a State Aid restructuring plan. On 26 November 2009, RBSG also entered into a State Aid Commitment Deed with HM Treasury containing commitments and undertakings given by RBSG to HM Treasury that are designed to ensure that HM Treasury is able to comply with the commitments given by it to the European Commission for the purpose of obtaining approval for the State Aid provided to RBSG.

As part of these commitments and undertakings, RBSG has agreed that RBS Holdings will not pay investors any coupons on, or exercise any call rights in relation to, certain hybrid capital instruments specified in an announcement by RBSG on 31 August 2010, unless in any such case there is a legal obligation to do so, for an effective period of two years commencing on 1 April 2011. The Group is also subject to restrictions on the exercise of call rights in relation to the Group's other hybrid capital instruments.

It is possible that the Group may, in future, be subject to further restrictions on payments on the Group's hybrid capital instruments, whether as a result of undertakings given to regulatory bodies, changes to capital requirements such as the Basel III rules published by the Basel Committee on 16 December 2010 or otherwise.

The undertakings described above may serve to limit the Group's ability to raise new capital through the issuance of Securities.

The Group could fail to attract or retain senior management, which may include members of the Group's Supervisory Board and Managing Board, or other key employees, and it may suffer if it does not maintain good employee relations

The Group's ability to implement its strategy and its future success depends on its ability to attract, retain and remunerate highly skilled and qualified personnel, including its senior management, which include members of the Group's Supervisory Board and Managing Board or other key employees competitively with its peers. This cannot be guaranteed, particularly in light of heightened regulatory oversight of banks and heightened scrutiny of, and (in some cases) any potential restrictions placed upon, management and employee compensation arrangements, in particular those in receipt of Government support (such as the RBSG Group).

In addition to the effects of such measures on the Group's ability to retain senior management and other key employees, the marketplace for skilled personnel is becoming more competitive, which means the cost of hiring, training and retaining skilled personnel may increase. The failure to attract or retain a sufficient number of appropriately skilled personnel could place the Group at a

significant competitive disadvantage and prevent the Group from successfully implementing its strategy, which could have a material adverse effect on the Group's financial condition and results of operations or result in a loss of value in the Securities.

In addition, certain of the Group's employees in Europe and other jurisdictions in which the Group operates are represented by employee representative bodies, including works councils and trade unions. Engagement with its employees and such bodies is important to the Group and a breakdown of these relationships could adversely affect the Group's business, reputation and results. As the Group implements cost-saving initiatives and disposes of, or runs-down, certain assets or businesses (including as part of its restructuring plans), it faces increased risk in this regard and there can be no assurance that the Group will be able to maintain good relations with its employees or employee representative bodies in respect of all matters. As a result, the Group may experience strikes or other industrial action from time to time, which could have an adverse effect on its business and results of operations and could cause damage to its reputation.

Each of the Group's businesses is subject to substantial regulation and oversight. Significant regulatory developments, including changes in tax law, could have an adverse effect on how the Group conducts its business and on its results of operations and financial condition

The Group is subject to financial services laws, regulations, corporate governance requirements, administrative actions and policies in each jurisdiction in which it operates. All of these are subject to change, particularly in the current regulatory and market environment, where there have been unprecedented levels of government intervention, changes to the regulations governing financial institutions and reviews of the industry, including nationalisations or injections of government capital in the United States, the United Kingdom and other European countries. In recent years, there has also been increasing focus in The Netherlands, the United Kingdom, the United States and other jurisdictions in which the Group operates on compliance with anti-bribery, anti-money laundering, anti-terrorism and other similar sanctions regimes.

As a result of the environment in which the Group operates, increasing regulatory focus in certain areas and ongoing and possible future changes in the financial services regulatory landscape (including requirements imposed by virtue of the RBSG Group's participation in government or regulator-led initiatives), the Group expects to face greater regulation and scrutiny in The Netherlands, the United Kingdom, the United States and other countries in which it operates, including throughout the rest of Europe.

Although it is difficult to predict with certainty the effect that recent regulatory developments and heightened levels of public and regulatory scrutiny will have on the Group, the enactment of legislation and regulations in The Netherlands and other jurisdictions in which the Group operates (such as new liquidity rules in The Netherlands in anticipation of the implementation of, and other changes required by, the EU Capital Requirements Directives, the bank levy in the United Kingdom or the Dodd-Frank Wall Street Reform and Consumer Protection Act in the United States) is likely to result in increased capital and liquidity requirements and changes in regulatory requirements relating to the calculation of capital and liquidity metrics or other prudential rules relating to capital adequacy frameworks, and may result in an increased number of regulatory investigations and actions. Any of these developments could have an adverse impact on how the Group conducts its business, applicable authorisations and licences, the products and services it offers, its reputation, the value of its assets, its funding costs and its results of operations and financial condition or result in a loss of value in the Securities.

Areas in which, and examples of where, governmental policies, regulatory changes and increased public and regulatory scrutiny could have an adverse impact on the Group include, but are not limited to:

- the monetary, fiscal, interest rate and other policies of central banks and other governmental or regulatory bodies;
- requirements to separate retail banking from investment banking, and restrictions on proprietary trading and similar activities within a commercial bank and/or a group which contains a commercial bank;
- the design and potential implementation of government-mandated resolution or insolvency regimes;
- the imposition of government-imposed requirements with respect to lending to small and medium sized businesses and larger commercial and corporate entities and residential mortgage lending;
- requirements to operate in a way that prioritises objectives other than shareholder value creation;
- changes to financial reporting standards (including accounting standards), corporate governance requirements, corporate structures and conduct of business rules;
- the imposition of restrictions on the Group's ability to compensate its senior management and other employees;
- regulations relating to, and enforcement of, anti-bribery, anti-money laundering, anti-terrorism or other similar sanctions regimes;
- rules relating to foreign ownership, expropriation, nationalisation and confiscation of assets;
- other requirements or policies affecting the Group's profitability, such as the imposition of onerous compliance obligations, further restrictions on business growth or pricing; and
- the introduction of, and changes to taxes, levies or fees applicable to the Group's operations (such as the imposition of financial activities taxes and changes in tax rates that reduce the value of deferred tax assets).

The Group is and may be subject to litigation and regulatory investigations that may impact its business

The Group's operations are diverse and complex and it operates in legal and regulatory environments that expose it to potentially significant litigation, regulatory investigation and other regulatory risk. As a result, the Group is, and may in the future be, involved in various disputes, legal proceedings and regulatory investigations in The Netherlands, the United Kingdom, other parts of the EU, the United States and other jurisdictions, including class action litigation, LIBOR related litigations and investigations, anti-money laundering charges and sanctions, compliance investigations and review by the European Commission under State Aid rules. Furthermore, the Group, like many other financial institutions, has come under greater regulatory scrutiny in recent years and expects that environment to continue for the foreseeable future, particularly as it relates to compliance with new and existing corporate governance, employee compensation, conduct of business, anti-money laundering and anti-terrorism laws and regulations, as well as the provisions of applicable sanctions programmes. Disputes, legal proceedings and regulatory investigations are

subject to many uncertainties, and their outcomes are often difficult to predict, particularly in the early stages of a case or investigation. Adverse regulatory action or adverse judgments in litigation could result in restrictions or limitations on the Group's operations or have a significant effect on the Group's reputation or results of operations or result in a loss of value in the Securities. For details about certain litigation and regulatory investigations in which the Group is involved, see the sections of this Registration Document entitled "Description of RBS Holdings N.V. and The Royal Bank of Scotland N.V. — Litigation" and "Description of RBS Holdings N.V. and The Royal Bank of Scotland N.V. — Investigations" below.

The Group may be required to make further contributions to its pension schemes if the value of pension fund assets is not sufficient to cover potential obligations

The Group maintains a number of defined contribution pension schemes and defined benefit pension schemes for past and a number of current employees. The RBS AA Pension Scheme in the UK and the Stichting Pensioenfonds RBS Nederland in The Netherlands are the largest of the schemes for the Group and its main sources of pension risk. Pensions risk is the risk that the assets of the Group's various defined benefit pension schemes which are long term in nature do not fully match the timing and amount of the schemes' liabilities, as a result of which the Group is required or chooses to make additional contributions to the schemes. Pension scheme liabilities vary with changes to long-term interest rates, inflation, pensionable salaries and the longevity of scheme members as well as changes in applicable legislation. The schemes' assets comprise investment portfolios that are held to meet projected liabilities to the scheme members. Risk arises from the schemes because the value of these asset portfolios, returns from them and any additional future contributions to the schemes may be less than expected and because there may be greater than expected increases in the estimated value of the schemes' liabilities. In these circumstances, the Group could be obliged, or may choose, to make additional contributions to the schemes, and during recent periods, the Group has voluntarily made such contributions to the schemes. Given the recent economic and financial market difficulties and the prospect that they may continue over the near and medium term, the Group may experience increasing pension deficits or be required or elect to make further contributions to its pension schemes and such deficits and contributions could be significant and have an adverse impact on the Group's results of operations or financial condition or result in a loss of value in the Securities.

The Group is subject to enforcement risks relating to the United States Department of Justice's criminal investigation of its dollar clearing activities

In May 2010, following a criminal investigation by the United States Department of Justice ("DoJ") into RBS N.V.'s dollar clearing activities, Office of Foreign Assets Control compliance procedures and other Bank Secrecy Act compliance matters, RBS N.V. (formerly ABN AMRO Bank N.V.) formally entered into a Deferred Prosecution Agreement (the "DPA") with the DoJ resolving the investigation. The investigation was in relation to activities before the Consortium Members acquired RBS Holdings including its subsidiary RBS N.V. The agreement was signed by RBS N.V. and is binding on that entity and its subsidiaries.

Pursuant to the DPA, RBS N.V. paid a penalty of US\$500 million and agreed that it will comply with the terms of the DPA and continue to co-operate fully with any further investigations. Payment of the penalty was made from a provision established in April 2007 when an agreement in principle to settle was first announced. At the joint request of the DoJ and RBS N.V. in order to allow RBS N.V. sufficient time to fulfil its obligations, the U.S. District Court, on 6 April 2011, extended the duration of the DPA until 31 December 2011. Failure to comply with the terms of the DPA during the

duration of the DPA could result in the DoJ recommencing its investigations, the outcome of which would be uncertain and could result in public censure and fines or have a material adverse effect upon the Group's operations, any of which could have a material adverse effect on its business, reputation, results of operations and financial condition.

The legal demerger of ABN AMRO Bank N.V. (as it was then named) has resulted in a cross liability that changes the legal recourse available to investors

On 6 February 2010, ABN AMRO Bank N.V. (as it was then named) was demerged into two entities, being RBS N.V. (the former ABN AMRO Bank N.V.) and the new ABN AMRO Bank.

In principle investors now only have recourse to the entity to which the relevant assets and liabilities have been transferred for payments in respect of the appropriate securities. Under the Dutch Civil Code, however, each entity remains liable to creditors for the monetary obligations of the other entity that existed at the date of the legal demerger in the event that the other entity cannot meet its obligations to those creditors. In each case, the liability relates only to obligations existing at the date of the legal demerger.

The liability of RBS N.V. is limited to the equity retained at legal demerger. At the time of the legal demerger, this liability amounted to €4.0 billion and this liability will reduce over time. The liability of the new ABN AMRO Bank N.V. is limited to the amount of equity acquired at legal demerger, which amounted to €1.8 billion, which will also reduce over time.

RBS N.V. has made arrangements to mitigate the risks of liability to the creditors which transferred to the new ABN AMRO Bank upon legal demerger. The new ABN AMRO Bank has also made arrangements to mitigate the risks of liability to the creditors that remain in RBS N.V. Both of these entities hold the level of regulatory capital agreed upon with the Dutch Central Bank for purposes of covering any residual risks.

Operational risks are inherent in the Group's businesses

The Group's operations are dependent on the ability to process a very large number of transactions efficiently and accurately while complying with applicable laws and regulations where it does business. The Group has complex and geographically diverse operations and operational risk and losses can result from internal and external fraud, errors by employees or third parties, failure to document transactions properly or to obtain proper authorisation, failure to comply with applicable regulatory requirements and conduct of business rules (including those arising out of anti-bribery, anti-money laundering and anti-terrorism legislation, as well as the provisions of applicable sanctions programmes), equipment failures, business continuity and data security system failures, natural disasters or the inadequacy or failure of systems and controls, including those of the Group's suppliers or counterparties. Although the Group has implemented risk controls and loss mitigation actions, and substantial resources are devoted to developing efficient procedures, to identify and rectify weaknesses in existing procedures and to train staff, it is not possible to be certain that such actions have been or will be effective in controlling each of the operational risks faced by the Group. Any weakness in these systems or controls, or any breaches or alleged breaches of such laws or regulations, could result in increased regulatory supervision, enforcement actions and other disciplinary action, and have an adverse impact on the Group's business, applicable authorisations and licences, reputation, results of operations and the price of any Securities.

The Group's operations have inherent reputational risk

Reputational risk, meaning the risk to earnings and capital from negative public opinion, is inherent in the Group's business. Negative public opinion can result from the actual or perceived manner in which the Group conducts its business activities, from the Group's financial performance, from the level of direct and indirect government support or from actual or perceived practices in the banking and financial industry. Negative public opinion may adversely affect the Group's ability to keep and attract customers. The Group cannot ensure that it will be successful in avoiding damage to its business from reputational risk.

The recoverability and regulatory capital treatment of certain deferred tax assets recognised by the Group depends on the Group's ability to generate sufficient future taxable profits and there being no adverse changes to tax legislation, regulatory requirements or accounting standards

In accordance with IFRS, the Group has recognised deferred tax assets on losses available to relieve future profits from tax only to the extent that it is probable that they will be recovered. The deferred tax assets are quantified on the basis of current tax legislation and accounting standards and are subject to change in respect of the future rates of tax or the rules for computing taxable profits and allowable losses. Failure to generate sufficient future taxable profits or changes in tax legislation or accounting standards may reduce the recoverable amount of the recognised deferred tax assets.

There is currently no restriction in respect of deferred tax assets recognised by the Group for regulatory purposes. Changes in regulatory capital rules may restrict the amount of deferred tax assets that can be recognised and such changes could lead to a reduction in the Group's Core Tier 1 capital ratio. In particular, on 16 December 2010, the Basel Committee published the Basel III rules setting out certain changes to capital requirements which include provisions limiting the ability of certain deferred tax assets to be recognised when calculating the common equity component of Tier 1 capital. The implementation of the Basel III restrictions on recognition of deferred tax assets within the common equity component of Tier 1 are subject to a phased-in deduction starting on 1 January 2014, to be fully effective by 1 January 2018.

Risks relating to the Asset Protection Scheme and the Contracts (as defined below)

The two paragraphs set out below provide certain background information in relation to the Asset Protection Scheme and the Contracts. The remainder of the paragraphs set out in this section headed "Risks relating to the Asset Protection Scheme and the Contracts (as defined below)" provide details of certain risks relating to the Asset Protection Scheme and the Contracts.

On 22 December 2009, the RBSG Group acceded to the Asset Protection Scheme (the "APS") with HM Treasury acting on behalf of the United Kingdom Government. Neither RBS Holdings nor RBS N.V. is a party to the APS. The APS is a unique form of credit protection over a complex range of diversified assets and exposures (the "Covered Assets") in a number of jurisdictions and, as at 31 December 2010, included assets and exposures of RBS N.V. and its wholly-owned subsidiaries in the amount of €17.45 billion (the "RBS N.V. Covered Assets"). If losses on assets covered by the APS exceed £60 billion (net of recoveries), HM Treasury will bear 90 per cent. of further losses. In the event of a further severe or prolonged economic downturn, which could result in extreme credit losses on the RBSG Group's asset portfolio, the APS provides additional protection to the RBSG Group's capital ratios and financial position. The RBSG Group continues to

carry the risk of losses, impairments and write-downs with respect to assets not covered by the APS.

On 26 November 2009, RBS N.V. and RBS entered into two back-to-back contracts in relation to the RBS N.V. Covered Assets, which were effective from 22 December 2009 (the “**Contracts**”). Pursuant to the Contracts, RBS N.V. has purchased credit protection through a financial guarantee and a credit default swap arrangement with RBS to strengthen its capital position and to de-risk future earnings. The guarantee agreement provides RBS N.V. with 100 per cent. protection over a specific portfolio of covered assets held at amortised cost by RBS N.V. and its consolidated subsidiaries (the “**RBS N.V. Group**”). The credit derivative agreement provides equivalent protection over a portfolio of derivatives owned by the RBS N.V. Group. The Contracts were amended and restated on 16 July 2010 with retrospective effect. The amendments related to, among other things, the triggers for, and calculation of, losses in respect of which protection is provided under the Contracts.

Protection under the Contracts, which is linked to the circumstances in which protection is available under the APS, may be limited or may cease to be available in certain circumstances, including where (i) RBS N.V. Covered Assets are not correctly or sufficiently logged or described, (ii) a RBS N.V. Covered Asset is disposed of (in whole or in part) prior to a trigger event, (iii) certain of the extensive governance, asset management, audit and reporting obligations under the UK Asset Protection Scheme Terms and Conditions (the “**Scheme Conditions**”) are not complied with, where the Group is required to comply with, or to ensure that RBS can comply with, such obligations pursuant to the Contracts, (iv) the Group does not comply with, or enable RBS to comply with, the instructions of a step-in manager appointed by HM Treasury in respect of RBS N.V. Covered Assets or (v) HM Treasury seeks to appoint a step-in manager in respect of RBS N.V. Covered Assets and it is not possible to obtain consent from the Dutch Central Bank (if required) to such step-in.

If the Group is required to seek consent from the Dutch Central Bank to such step-in, and such consent is not obtained by the date (which will be no less than 10 business days after the notice from HM Treasury) on which the step-in rights must be effective, and other options to effect compliance are not possible (at all or because the costs involved prove prohibitive), the relevant RBS N.V. Covered Assets would need to be withdrawn by the RBSG Group from the APS where permissible under the Scheme Conditions or, otherwise, with HM Treasury consent. If the RBSG Group cannot withdraw such Covered Assets from the APS, the RBSG Group would be likely to lose protection in respect of these assets under the APS and/or may be liable under its indemnity to HM Treasury.

If the RBSG Group loses protection under the APS in respect of any RBS N.V. Covered Asset as a result of a failure of RBS N.V. to comply in a material respect with its obligations under the Contracts, the credit protection provided to the Group by the Contracts would be lost and any losses incurred on such asset would continue to be borne fully by the Group. This may materially reduce the protection anticipated by the Group for its stressed losses, in which case its business, results of operations and financial condition will suffer, its credit ratings may fall, its capital ratios may decline, its ability to lend and access funding will be further limited and its cost of funding may increase. The occurrence of any or all of such events may cause the price of the Securities to decline.

The extensive governance, asset management and information requirements under the Scheme Conditions, which the Group is required to comply with, or to ensure that RBS can comply with, pursuant to the Contracts may have an adverse impact

on the Group. In addition, any changes or modifications to the Scheme Conditions may have a negative impact on the expected benefits of the Contracts and may have an adverse impact on the Group

HM Treasury may, following consultation with the RBSG Group, modify or replace certain of the Scheme Conditions in such a manner as it considers necessary (acting reasonably) in certain circumstances, which may be retrospective. The protection provided to the Group by the Contracts is linked, in certain respects, to the protection that the RBSG Group receives under the APS. As a consequence, modifications to, or replacements of, the Scheme Conditions may result in (i) a loss of or reduction in the protection expected by the Group under the Contracts, (ii) an increase in the risk weightings of the RBS N.V. Covered Assets, (iii) a material increase in the continuing reporting obligations or asset management conditions under the Scheme Conditions which the Group is required to comply with, or to ensure that RBS can comply with, pursuant to the Contracts and/or (iv) restrictions or limitations on the Group's operations. The consequences of any such modifications are impossible to quantify and are difficult to predict and may have a material adverse effect on the Group's financial condition and results of operations.

There are extensive governance, asset management and information requirements under the Scheme Conditions in relation to the RBS N.V. Covered Assets which the Group is required to comply with, or to ensure that RBS can comply with, pursuant to the Contracts and HM Treasury also has the right to require the appointment of one or more step-in managers to exercise certain step-in rights in certain circumstances. The step-in rights are extensive and include certain oversight, investigation, approval and other rights, the right to require the modification or replacement of any of the systems, controls, processes and practices of the Group and extensive rights in relation to the direct management and administration of the RBS N.V. Covered Assets.

Additionally pursuant to the accession agreement between HM Treasury and RBSG relating to the accession to the APS (the "**Accession Agreement**"), HM Treasury has the right to require RBS to appoint one or more Special Advisers ("**SOC Special Advisers**") to exercise oversight functions over certain assets in the APS. On 18 June 2010, the Asset Protection Agency required that RBS appoint SOC Special Advisers in relation to certain assets and business areas in order to provide additional support to the Senior Oversight Committee of RBS. There have been four such appointments to date granting certain oversight rights in relation to certain specified assets and the work of each of the SOC Special Advisers is now substantially completed. Two of those appointments related to assets owned by RBS N.V.

The obligations of the Group and the rights of HM Treasury may, individually or in the aggregate, impact the way the Group runs its business and may serve to limit the Group's operations with the result that the Group's business, results of operations and financial condition will suffer. In addition, the market's reaction to such controls and limitations may have an adverse impact on the price of the Securities.

Any changes to the expected regulatory capital treatment of the Contracts may negatively impact the Group's capital position

One of the objectives of the Contracts was to improve capital ratios at a consolidated level for the Group and at an individual level for certain relevant members of the Group. There is a risk that the interpretation of the relevant regulatory capital requirements by one or more of the relevant regulatory authorities may differ from that assumed by the Group, with the result that the improvement to the Group's capital ratios will not be fully maintained.

There is a further risk that, given that the current regulatory capital requirements and the regulatory bodies governing these requirements are subject to unprecedented levels of review and scrutiny both globally and locally, the regulatory capital treatment may differ from that assumed by the Group in respect of the Contracts. Any changes to the regulatory capital treatment of the Contracts could negatively impact the Group's capital ratios, and this could cause the Group's business, results of operations and financial condition to suffer, its credit ratings to drop, its ability to lend and access to funding to be further limited and its cost of funding to increase. The occurrence of any or all of such events may cause the price of the Securities to decline.

Fulfilling the disclosure obligations of the Group under the Contracts may give rise to litigation and regulatory risk

In order to fulfil (or as a consequence of fulfilling) its disclosure obligations under the Contracts by disclosing certain information to RBSG, RBS, and/or the subsequent disclosure to HM Treasury or the FSA or their disclosure of such information to third parties for certain specified purposes, the Group may incur the risk of civil suits, criminal liability or regulatory actions. Adverse regulatory action or adverse judgments in litigation could have a significant effect on the Group's reputation or results of operations or result in a loss of value in the Securities. Alternatively, in order to avoid the risk of such civil suits or regulatory actions or to avoid the risk of criminal liability, the RBSG Group may choose to or be required to remove RBS N.V. Covered Assets from the APS so as not to be required to disclose such information to HM Treasury or the FSA, with the result that such assets will not be protected by the APS, which would result in a loss of protection to the Group under the Contracts. The effect of the removal of such RBS N.V. Covered Assets will impact the level of protection available to the Group and may materially reduce the protection anticipated by the Group for its stressed losses, in which case its business, results of operations and financial condition will suffer.

Investors should be aware that the materialisation of any of the above risks may adversely affect the value of any Securities.

DESCRIPTION OF RBS HOLDINGS N.V. AND THE ROYAL BANK OF SCOTLAND N.V.

General Information

Both RBS Holdings and RBS N.V. are public limited liability companies incorporated under Dutch law on 30 May 1990 and 7 February 1825 respectively. RBS Holdings is registered with the Trade Register in Amsterdam under no. 33220369. RBS N.V. is registered with the Trade Register in Amsterdam under no. 33002587. RBS Holdings and RBS N.V. have their registered offices in Amsterdam, The Netherlands and their office address is Gustav Mahlerlaan 350, 1082 ME Amsterdam. The mailing address for RBS Holdings and RBS N.V. in The Netherlands is Post Office Box 12925, 1100 AX Amsterdam. RBS Holdings and RBS N.V.'s telephone number is (31) 20 464 9999.

The Group is a prominent international banking group offering a wide range of banking products and financial services on a global basis.

RBS N.V. is the result of the merger of Algemene Bank Nederland N.V. and Amsterdam-Rotterdam Bank N.V. in 1990. Prior to the merger, these banks were, respectively, the largest and second-largest bank in The Netherlands. RBS N.V. traces its origin to the formation of the Nederlandsche Handel-Maatschappij N.V. in 1825, pursuant to a Dutch Royal Decree of 1824.

RBS Holdings has one subsidiary, RBS N.V. and RBS N.V. has various subsidiaries. Please refer to the paragraph "Major subsidiaries and participating interests" in "Financial Statements — Notes to the accounts — 15 Major subsidiaries and participating interests" on page 143 of the 2010 Annual Report for an overview of the entities within the Group. RFS Holdings is controlled by RBSG, which is incorporated in the UK and registered at 36 St. Andrew Square, Edinburgh, Scotland. RBSG is the ultimate parent company of RBS Holdings N.V.

RBS Holdings and RBS N.V. form part of the RBSG Group. RBSG is the holding company of a large global banking and financial services group. Headquartered in Edinburgh, the RBSG Group operates in the United Kingdom, the United States and internationally through its three principal subsidiaries, RBS, National Westminster Bank Public Limited Company ("**NatWest**") and RBS N.V. Both RBS and NatWest are major United Kingdom clearing banks. In the United States, the RBSG Group's subsidiary Citizens is a large commercial banking organisation. Globally, the Group has a diversified customer base and provides a wide range of products and services to personal, commercial and large corporate and institutional customers.

Separation from ABN AMRO Holding N.V.

On 17 October 2007, RFS Holdings B.V, which at the time was owned by RBSG, Fortis N.V., Fortis S.A./N.V., Fortis Bank Nederland (Holding) N.V. and Banco Santander, S.A. ("**Santander**"), completed the acquisition of ABN AMRO Holding N.V., which was renamed RBS Holdings N.V. on 1 April 2010 when the shares in ABN AMRO Bank N.V. were transferred to ABN AMRO Group N.V., a holding company for the interests of the Dutch State. This marked the substantial completion of the restructuring of the activities of ABN AMRO Holding N.V. in accordance with the agreement between RBSG, the Dutch State and Santander (the "**Consortium Members**"). RBS Holdings N.V. has one direct subsidiary, RBS N.V., a fully operational bank within the Group, which is independently rated and regulated by the Dutch Central Bank.

On 31 December 2010, the share capital of RFS Holdings B.V. was amended, such that approximately 98 per cent. of RFS Holdings' issued share capital is now held by RBSG, with the remainder being held by Santander and the Dutch State. Ultimately it is expected that RFS Holdings B.V. will become a wholly-owned subsidiary of RBSG.

Proposed transfers of a substantial part of the business activities of The Royal Bank of Scotland N.V. to The Royal Bank of Scotland plc

On 19 April 2011, the boards of RBSG, RBS, RBS Holdings and RBS N.V. approved the proposed transfers of a substantial part of the business activities of RBS N.V. to RBS (the “**Proposed Transfers**”), subject, among other matters, to regulatory and other approvals, further tax and other analysis in respect of the assets and liabilities to be transferred and employee consultation procedures. It is expected that the Proposed Transfers will be implemented on a phased basis over a period ending 31 December 2013. A large part of the Proposed Transfers (including the transfers of certain securities issued by RBS N.V.) is expected to have taken place by the end of 2012. For further information see the press release entitled “Proposed transfers of a substantial part of the business activities of RBS N.V. to RBS plc” which is incorporated by reference herein.

On 22 July 2011, RBS and RBS N.V. announced that they presented a petition to the Court of Session in Scotland (the “**Court**”) on 21 July 2011 for an order under Part VII of the UK Financial Services and Markets Act 2000 to sanction a banking business transfer scheme in respect of eligible business carried on by RBS N.V. pursuant to Part VII of the UK Financial Services and Markets Act 2000 (the “**Part VII Scheme**”). Subject to regulatory approval and provided the Court makes an order sanctioning the Part VII Scheme, it is expected that the Part VII Scheme will become effective on 17 October 2011 or such other date as RBS and RBS N.V. may agree in writing.

Remedies in relation to the Approval for the State Aid provided to the RBSG Group

As referred to in the risk factor headed “As a condition to the RBSG Group receiving HM Treasury support, the Group is prohibited from making discretionary coupon payments on, and exercising call options in relation to, certain of its existing hybrid capital instruments, which may impair the Group’s ability to raise new capital through the issuance of Securities”, on 26 November 2009, RBSG entered into a State Aid Commitment Deed with HM Treasury containing commitments and undertakings given by RBSG to HM Treasury that are designed to ensure that HM Treasury is able to comply with the commitments given by it to the European Commission for the purpose of obtaining approval for the State Aid provided to RBSG.

As part of these commitments and undertakings three series of hybrid capital instruments which are retained in the Group (identifiable by ISIN codes US74928K2087, US74928P2074 and US74928M2044) are subject to a restriction on the payment of dividends and coupons and on the exercise of any call rights, unless in any such case there is a legal obligation to do so, for an effective period of two years commencing on 1 April 2011.

Business overview

RBS N.V. is a bank licensed and regulated by the Dutch Central Bank (*De Nederlandsche Bank*).

RBS N.V. operates on a significant scale across Europe, the Middle East and Africa, the Americas and Asia. As at 30 June 2011, the Group had total consolidated assets of EUR 206.7 billion.

The Group comprises the following four segments:

- **Global Banking & Markets (“GBM”)**: The GBM segment represents the business providing an extensive range of debt and equity financing, risk management and investment services as a leading banking partner to major corporations and financial institutions around the world. The GBM business within RBS Holdings is organised along four principal business lines: Global Lending, Equities, Short Term Markets & Funding and Local Markets.

- **Global Transaction Services (“GTS”)**: GTS provides global transaction services, offering Global Trade Finance, Transaction Banking and International Cash Management.
- **Central Items**: The Central Items segment includes group and corporate functions, such as treasury, capital management and finance, risk management, legal, communications and human resources. Central Items manages the Group’s capital resources, statutory and regulatory obligations and provides services to the branch network.
- **Non-Core Segment**: The Non-Core segment contains a range of businesses and asset portfolios managed separately that the Group intends to run off or dispose of, in line with the RBSG Group strategy for Non-Core assets. It also includes the remaining assets and liabilities in RBS N.V. that have not yet been sold, wound down or alternatively transferred by the Consortium Members (the “**Shared Assets**”), in which each of the Consortium Members has a joint and indirect interest.

Global Banking & Markets, Global Transaction Services and Central Items comprise the Group’s Core segments.

These RBS N.V. businesses are part of global business units of the RBSG Group that operate across multiple legal entities. The strategy of RBS N.V. is part of the overall business strategy of the RBSG Group. RBS Holdings N.V. has been restructured into Core and Non-Core components. The RBSG Group expects to substantially run down or dispose of the businesses, assets and portfolios within the Non-Core division by 2013 and has completed the sales of businesses in Latin America, Asia, Europe and the Middle East.

Assets and liabilities to be transferred after legal separation

A number of assets and liabilities of the Dutch State acquired businesses were not part of the legal demerger. At legal separation on 1 April 2010, approximately EUR 600 million of assets and EUR 500 million of liabilities remain in RBS N.V. which will be transferred as soon as possible after legal separation to the new ABN AMRO Bank. These remaining assets are adequately funded and capitalised until their transfer after legal separation.

The net asset value of the assets and liabilities that are currently expected to remain for an interim period in the Group represented approximately 0.36 per cent. of the Group’s assets as at 30 June 2011. Sufficient capital remains in the Group to cover the Dutch State interest and the Santander interest in the remaining Shared Assets until such time that these are sold, wound-down, redeemed or otherwise settled.

Legal and Regulatory Proceedings

As a participant in the financial services industry, the Group operates in a legal and regulatory environment that exposes it to potentially significant litigation risks. As a result, RBS Holdings, RBS N.V. and other members of the Group are involved in various disputes and legal proceedings in The Netherlands, the United Kingdom, the United States and other jurisdictions, including litigation. Such cases are subject to many uncertainties, and their outcome is often difficult to predict, particularly in the earlier stages of a case.

Other than as set out in this section entitled “Legal and Regulatory Proceedings”, so far as RBS Holdings and RBS N.V. are aware, neither they nor any of their subsidiaries are, or have been engaged in or have pending or threatened any governmental, legal or arbitration proceedings which may have or have had in the recent past (covering the 12 months immediately preceding the date of this document) a significant effect on RBS Holdings’ or RBS N.V.’s consolidated financial position or consolidated profitability.

Litigation

Madoff

In December 2010, Irving Picard, as trustee for the bankruptcy estates of Bernard L. Madoff and Bernard L. Madoff Investment Securities LLC filed a claim against RBS N.V. for approximately US\$271 million. This is a clawback action similar to claims filed against six other institutions in December 2010. RBS N.V. (or its subsidiaries) invested in Madoff funds through feeder funds. The Trustee alleges that RBS N.V. received US\$71 million in redemptions from the feeder funds and US\$200 million from its swap counterparties while RBS N.V. 'knew or should have known of Madoff's possible fraud'. The Trustee alleges that those transfers were preferences or fraudulent conveyances under the US bankruptcy code and New York law and he asserts the purported right to claw them back for the benefit of Madoff's estate. The Group considers that it has substantial and credible legal and factual defences to the claim and intends to defend it vigorously. The Group cannot predict the outcome of the claim at this stage and is unable reliably to estimate the liability, if any, that may arise or its effect on the Group's consolidated net assets, operating results or cash flows in any particular period.

London Interbank Offered Rate ("LIBOR")

Certain members of the RBSG Group have been named as defendants in a number of class action claims filed in the US with respect to the setting of LIBOR. The complaints are substantially similar and allege, through various means, that certain members of the RBSG Group and other panel banks, individually and collectively, violated US commodities and antitrust laws and state common law by manipulating LIBOR and prices of LIBOR-based derivatives in various markets. The RBSG Group considers that it has substantial and credible legal and factual defences to these and prospective claims. The RBSG Group cannot predict the outcome of these claims at this stage and is unable reliably to estimate the liability, if any, that might arise or its effect on the Group's consolidated net assets, operating results or cash flows in any particular period.

Summary of other disputes, legal proceedings and litigation

Members of the Group are engaged in other litigation in The Netherlands and a number of overseas jurisdictions, including the United Kingdom and the United States, involving claims by and against them arising in the ordinary course of business. The Group has reviewed these other actual, threatened and known potential claims and proceedings and, after consulting with its legal advisers, does not expect that the outcome of any of these other claims and proceedings will have a significant effect on the Group's consolidated net assets, operating results or cash flows in any particular period.

Investigations

The Group's businesses and financial condition can be affected by the fiscal or other policies and other actions of various governmental and regulatory authorities in The Netherlands, the European Union, the United States and elsewhere. The Group has engaged, and will continue to engage, in discussions with relevant regulators, including in The Netherlands, the United Kingdom and the United States, on an ongoing and regular basis regarding operational, systems and control evaluations and issues including those related to compliance with applicable anti-bribery, anti-money laundering and sanctions regimes. It is possible that any matters discussed or identified may result in investigatory or other action being taken by the regulators, increased costs being incurred by the Group, remediation of systems and controls, public or private censure, restriction of the Group's business activities or fines. Any of these events or circumstances could have a significant effect on the Group, its business, authorisations and licences, reputation, results of operations or the price of securities issued by it.

Political and regulatory scrutiny of the operation of retail banking and consumer credit industries in the European Union and elsewhere continues. The nature and impact of future changes in policies and regulatory action are not predictable and are beyond the Group's control but could have a significant effect on the Group's consolidated net assets, operating results or cash flows in any particular period.

US dollar clearing activities

In May 2010, following a criminal investigation by the United States Department of Justice ("DoJ") into its dollar clearing activities, Office of Foreign Assets Control compliance procedures and other Bank Secrecy Act compliance matters, RBS N.V. formally entered into a Deferred Prosecution Agreement (the "DPA") with the DoJ resolving the investigation. The investigation was in relation to activities before the Consortium Members acquired ABN AMRO Holding N.V. (now known as RBS Holdings N.V.). The agreement was signed by RBS N.V. and is binding on that entity and its subsidiaries.

Pursuant to the DPA, RBS N.V. paid a penalty in 2010 of US\$500 million and agreed that it will comply with the terms of the DPA and continue to co-operate fully with any further investigations. Payment of the penalty was made from a provision established in April 2007 when an agreement in principle to settle was first announced. At the joint request of the DoJ and RBS N.V., in order to allow RBS N.V. sufficient time to fulfil its obligations, the U.S. District Court, on 6 April 2011, extended the duration of the DPA until 31 December 2011. Upon satisfaction of the conditions of the DPA within that period the matter will be fully resolved. Failure to comply with the terms of the DPA during this period could result in the DoJ recommencing its investigations, the outcome of which would be uncertain and could result in public censure and fines or have an adverse effect on the Group's operations, any of which could have a material adverse effect on its consolidated net assets, operating results or cash flows in any particular period.

Equity underwriting

On 6 August 2010, the UK Office of Fair Trading ("OFT") launched a market study into equity underwriting and related services. The OFT looked at the way that the market works and in particular: (i) how underwriting services are purchased; (ii) how underwriting services are provided; and (iii) how the regulatory environment affects the provision of underwriting services. On 27 January 2011 the OFT published its market study report. The OFT decided not to refer the market to the Competition Commission (this decision was confirmed on 17 May 2011 following a public consultation) but identified certain concerns around the level of equity underwriting fees. The OFT therefore identified a number of options which would enable companies and institutional shareholders to address these concerns and allow them to drive greater competition in the market. It is not possible to estimate with any certainty what effect this development and any related developments may have on the Group's consolidated net assets, operating results or cash flows in any particular period.

Independent Commission on Banking

On 16 June 2010, HM Treasury published the terms of reference for the UK Government's Independent Commission on Banking ("ICB"). The ICB is considering the structure of the United Kingdom banking sector and is looking at structural and non-structural measures to reform the banking system and to promote competition. It is mandated to formulate policy recommendations with a view to: (i) reducing systemic risk in the banking sector, exploring the risk posed by banks of different size, scale and function; (ii) mitigating moral hazard in the banking system; (iii) reducing the likelihood and impact of a bank's failure; and (iv) promoting competition in retail and investment banking with a view to ensuring that the needs of banks' customers are served efficiently and considering the extent to which large banks can gain competitive advantage from being perceived

as 'too big to fail'. The ICB reports to the Cabinet Committee on Banking Reform and will issue a final report on 12 September 2011. The interim report published on 11 April 2011 (the "**Interim Report**") set out the ICB's provisional views on possible reforms and sought responses to those views. Reform options for stability include additional capital and the ring-fencing of retail banking operations (on a basis yet to be defined). Reform options for competition include structural measures to improve competition, improved means of switching and transparency and a primary duty for the UK Financial Conduct Authority to promote effective competition. The Interim Report also supported the introduction of rules as to contingent capital, bail-in debt and depositor preferences.

The RBSG Group has responded to the Interim Report and set out its views on the reform options outlined in that report. The RBSG Group will continue to participate in the debate and to consult with the ICB during the coming weeks and with the UK Government thereafter. Prior to the publication of a final report by the ICB it is not possible to estimate the effect of the ICB's report and recommendations upon the Group but they could have a negative impact on its consolidated net assets, operating results or cash flows in any particular period.

LIBOR

The RBSG Group has received requests from various regulators, including the US Commodity Futures Trading Commission, the US Department of Justice and the European Commission, seeking documents and communications related to the process and procedures for setting LIBOR and other interest rates, together with related trading information. The RBSG Group is co-operating with these investigations and is keeping relevant regulators informed. It is not possible to estimate with any certainty what effect these investigations and any related developments may have on the Group.

Other investigations

The Federal Reserve and state banking supervisors have been reviewing the RBSG Group's US operations and RBSG and its subsidiaries have been required to make improvements with respect to various matters, including enterprise-wide governance, Bank Secrecy Act and anti-money laundering compliance, risk management and asset quality. The RBSG Group is in the process of implementing measures for matters identified to date. The RBSG Group may become subject to formal and informal supervisory actions and may be required by its US banking supervisors to take further actions and implement additional remedial measures with respect to these and additional matters. Any limitations or conditions placed on the RBSG Group's activities in the United States, as well as the terms of any supervisory action applicable to RBSG and its subsidiaries, could have a material adverse effect on the Group's consolidated net assets, operating results or cash flows in any particular period.

On 27 July 2011, the RBSG Group consented to the issuance of a Cease and Desist Order (the "**Order**") setting forth measures required to address deficiencies related to governance, risk management and compliance systems and controls identified by the Federal Reserve and state banking supervisors during examinations of the RBS and RBS N.V. branches in 2010. The Order requires the RBSG Group to strengthen its US corporate governance structure, to develop an enterprise-wide risk management programme, and to develop and enhance its programmes to ensure compliance with US law, particularly the US Bank Secrecy Act and anti-money laundering laws, rules and regulations. The RBSG Group has established a strategic and remedial programme of change to address the identified concerns and is committed to working closely with the US bank regulators to implement the remedial measures required by the Order.

The RBSG Group's operations include businesses outside the United States that are responsible for processing US dollar payments. The RBSG Group is conducting a review of its policies,

procedures and practices in respect of such payments and has initiated discussions with UK and US authorities to discuss its historical compliance with applicable laws and regulations, including US economic sanctions regulations. Although the Group cannot currently determine when the review of its operations will be completed or what the outcome of its discussions with UK and US authorities will be, the investigation costs, remediation required or liability incurred could have a material adverse impact on the Group's business, results of operations or value of its Securities.

In the United States, RBSG and certain subsidiaries have received requests for information from various governmental agencies, self-regulatory organisations, and state governmental agencies including in connection with sub-prime mortgages and securitisations, collateralised debt obligations and synthetic products related to sub-prime mortgages. In particular, during March 2008, the RBSG Group was advised by the SEC that it had commenced a non-public, formal investigation relating to the RBSG Group's United States sub-prime securities exposures and United States residential mortgage exposures. RBSG and its subsidiaries are co-operating with these various requests for information and investigations. In December 2010, the SEC contacted the RBSG Group and indicated that it would also examine valuations of various RBS N.V. structured products, including collateralised debt obligations. RBSG and its subsidiaries are co-operating with these various requests for information and investigations.

At this stage, it is not possible to estimate the effect of the matters discussed in this section headed "Other investigations" upon the Group, if any.

CORPORATE GOVERNANCE

GOVERNANCE

Boards and Committees

RBS Holdings and RBS N.V. are public companies with limited liability incorporated under the laws of The Netherlands. Both companies have a two-tier system of corporate governance; consisting of a Supervisory Board and a Managing Board (each as defined below). The day-to-day management of RBS Holdings and RBS N.V. is vested with the relevant Managing Board.

The Supervisory Boards of RBS Holdings and RBS N.V. (together, the "**Supervisory Board**") are comprised of the same members. The Managing Boards of RBS Holdings and RBS N.V. (together, the "**Managing Board**") are also comprised of the same members.

The Dutch Banking Code (*Code Banken*) was drawn up by The Netherlands Bankers' Association (*NVB*) in response to the report entitled "Restoring Trust" (*Naar herstel van vertrouwen*), which was published by the Advisory Committee on the Future of Banks (*Adviescommissie Toekomst Banken*) on 7 April 2009. The recommendations of the Advisory Committee's report have been used as the basis for the Dutch Banking Code. The Dutch Banking Code came into force on 1 January 2010. RBS N.V. has published on its website an overview of its compliance with the Banking Code.

Neither RBS Holdings nor RBS N.V. is obliged to comply with the principles of the Dutch Corporate Governance Code (the *Code Frijns*), which are mandatory only for listed companies. However, given its standing in The Netherlands, the Group has chosen to adhere to the Dutch Corporate Governance Code as much as possible.

SUPERVISORY BOARD

Responsibilities of the Supervisory Board

The Supervisory Board supervises the Managing Board's conduct of the Group's business and the general course of affairs of RBS Holdings and RBS N.V. and their respective associated businesses. In addition, the Supervisory Board is charged with assisting and advising the management of RBS Holdings and RBS N.V., respectively. In performing their duties, the members of the Supervisory Board are guided by the interests of RBS Holdings and RBS N.V. and their respective associated businesses and take into account the relevant interests of the Group's stakeholders. Certain powers are vested with the Supervisory Board, including the approval of certain resolutions by the Managing Board.

The Supervisory Board is an independent body. Members of the Supervisory Board are appointed by the general meeting of shareholders of RBS Holdings and RBS N.V., respectively. The Supervisory Board nominate one or more candidates for each vacant seat.

Supervisory Board members are appointed for a term of four years and may be re-appointed after that term. Members of the Supervisory Board may serve a maximum of three 4-year terms, or 12 years from the date of their first appointment. As a principle, each member agrees to retire by the day on which the annual general meeting of shareholders of RBS Holdings is held in the year in which he or she reaches the age of 70.

Candidates recommended for appointment or re-appointment to the Supervisory Board should meet the criteria of the membership profile, which are set out in the Rules Governing the Supervisory Board's Principles and Best Practices of RBS Holding, which are available on the Group's website at www.rbs.nl. These rules also include the terms of reference of the Risk and

Audit Committee. Information on that website does not form part of this Registration Document, unless expressly stated otherwise.

In the case of an actual or potential conflict of interest of material significance between a member of the Supervisory Board and the Group, the Chairman of the Supervisory Board shall be notified.

The Chairman and Vice Chairman are appointed by each Supervisory Board from among its members.

Composition of the Supervisory Board

Following the legal separation, a new Supervisory Board was appointed.

The Supervisory Board currently consists of the following members:

Bruce Van Saun	Chairman
Ron Teerlink	Vice-Chairman
Sietze Hepkema	
Chris Campbell	
Henk Rottinghuis	

Curriculum Vitae of Supervisory Board Members

Bruce Van Saun

Chairman of the Supervisory Board

Mr. Van Saun was appointed to the Supervisory Board on 1 April 2010.

Appointed to the Board of RBSG in October 2009 as Group Finance Director, Mr. Van Saun has more than 25 years of financial services experience. From 1997 to 2008 he held a number of senior positions with Bank of New York and later with Bank of New York Mellon, most recently as Vice Chairman and Chief Financial Officer, and before that he was responsible for the Asset Management and Market Related businesses. Prior to that, he held senior positions with Deutsche Bank, Wasserstein, Perella Group and Kidder Peabody & Co. He has served on several corporate boards as a non-executive director and has been active in numerous community organisations.

Ron Teerlink

Vice-Chairman of the Supervisory Board

Mr. Teerlink was appointed to the Supervisory Board on 1 April 2010.

In April 2008 Mr. Teerlink joined the RBSG Group as Chief Executive of Business Services, becoming the Group Chief Administrative Officer in February 2009. At the same time, he was re-appointed to the Managing Board to oversee the integration programme. Mr. Teerlink started his career with ABN Bank in 1986 as an IT/Systems analyst and held various functional positions before becoming Chief Operating Officer of the Wholesale Clients Business in 2002. He was appointed Chief Executive Officer of Group Shared Services in 2004 and joined ABN AMRO Holding N.V.'s Managing Board in January 2006, where he was responsible for Services and Market Infrastructure. Mr. Teerlink holds a Masters degree in Economics from Amsterdam's Vrije Universiteit.

Sietze Hepkema

Member of the Supervisory Board

Mr. Hepkema is a corporate and Mergers and Acquisitions lawyer and co-head of the Global Corporate Practice at Allen & Overy LLP, where he has been working since 2000. He was Senior Partner of the Amsterdam office from 1999 to 2009 and a member of the firm's Board from 2000 to 2010. Before joining Allen & Overy, Mr. Hepkema was Partner at Loeff Claey's Verbeke for 12 years, where he was appointed to the Managing Board in 1989. Between 1981 and 1987 he worked at Graham & James in San Francisco and Singapore. Over the past ten years, Mr Hepkema has advised on many major transactions in The Netherlands, including the merger of KLM and Air France, the merger of NYSE and Euronext, and the acquisition of Organon by ScheringPlough. He holds a Master of Laws from the Erasmus University Rotterdam and an LLM from Harvard Law School.

Mr. Hepkema joined the Supervisory Board on 1 September 2010.

Chris Campbell

Member of the Supervisory Board

Mr. Campbell was appointed as a Member of the Supervisory Board on 23 June 2011. Mr. Campbell joined RBS in August 2005 as Deputy General Counsel and Director, Group Legal and became Group General Counsel in May 2010. Prior to joining RBS, Mr. Campbell was a partner for 18 years in Scotland's largest law firm, Dundas & Wilson, and was Managing Partner from 1996 until he joined RBS in 2005. In his role as Group General Counsel, Mr. Campbell has overall responsibility for advising the RBS Group Board and Executive Committee and for the provision of legal support to all of RBS's businesses globally. His responsibilities also include the Group Secretariat and Regulatory Affairs & Compliance functions.

Henk Rottinghuis

Member of the Supervisory Board

Mr. Rottinghuis has been a Member of the Executive Board of Pon Holdings B.V. since 1999 and was appointed Chairman in 2002. Before joining the Board, he worked as the Managing Director of Pon's Automobielandel, the importer of Volkswagen, Audi and Porsche in The Netherlands, and was responsible for all import activities in the automotive arm of Pon Holdings. Mr. Rottinghuis started his career in 1982 at the Royal Nedlloyd Group, a shipping and transport group, where he held various management positions for a period of ten years. He holds a Master of Laws from the Rijksuniversiteit Groningen, and has followed an executive programme at Harvard Business School. He holds several Board positions with larger family companies.

Mr. Rottinghuis was appointed to the Supervisory Board on 1 September 2010.

Supervisory Board Committee

Each Supervisory Board has one standing committee, being a Risk & Audit Committee (together, the "**Risk & Audit Committee**").

The Risk & Audit Committee is appointed by the Supervisory Board from its own members. The Risk & Audit Committee derives its authority from the Supervisory Board, the RBSG Group Board Risk Committee and the RBSG Group Audit Committee. Its Terms of Reference are set out in Annex C of the Rules Governing the Supervisory Board's Principles and Best Practices.

In line with good corporate governance, the rules governing the Risk & Audit Committee have been reviewed to ensure that objectives are, where possible, fully aligned and consistent with the terms of reference of both the RBSG Group Audit Committee and the RBSG Group Board Risk Committee and are adequate and appropriate oversight and escalation mechanisms are implemented. Also, the rules have been reviewed in light of the requirements as stated in the Dutch Banking Code.

The external auditor is appointed or reappointed by the General Meeting of Shareholders for a period of one year on the advice of the Supervisory Board. The Risk & Audit Committee has the delegated responsibility for the engagement of the external auditor. For this purpose it evaluates the independence of the external auditor, the measures used to control the quality of the external auditor's work, and the annual audit budget. The Risk & Audit Committee's policy on auditor independence governs the appointment, compensation and oversight of the external auditor. To ensure the external auditor's independence, the Auditor Independence Policy prohibits the external auditor from providing certain non-audit services to the Group.

The Risk & Audit Committee is furthermore responsible for pre-approving audit, audit-related and permitted non-audit services provided by the external auditor. In exercising its pre-approval authority, the Risk & Audit Committee considers whether the proposed services are consistent with the continued independence of the external auditor. During each meeting of the Risk & Audit Committee, an overview is presented of the non-audit services that were initiated during the period under review.

All members of the Supervisory Board are members of the Risk and Audit Committee. The Chairman of the Supervisory Board is also the Chairman of the Risk and Audit Committee.

Seven meetings of the Risk and Audit Committee have occurred since legal separation on 1 April 2010.

MANAGING BOARD

Responsibilities of the Managing Board

The members of the Managing Board collectively manage the company and are responsible for its strategy, structure and performance. The members of the Managing Board are appointed by the general meeting of shareholders of RBS Holdings and RBS N.V., respectively. The Supervisory Board nominates one or more candidates for each vacant seat. If the Supervisory Board nominates two or more candidates for a vacant seat, the nomination list is binding. The members of the Managing Board are accountable both collectively and individually for all decisions taken by the Managing Board.

The Chairman of each Managing Board leads the relevant Managing Board in its overall management of the Group to achieve its performance goals and ambitions. The Chairman is the main point of liaison with the Supervisory Board. The Chief Financial Officer is responsible for the financial affairs of the Group, and the Chief Risk Officer is responsible for the Group's risk management and operational risk control. Alongside their overall corporate responsibilities, the members of the Managing Board are responsible for the management of the Divisions, Group Functions and Services. The Managing Board has delegated certain tasks to committees, as described below.

Composition of the Managing Board

Following the legal separation, a new Managing Board was appointed.

The members of the Managing Board currently comprise:

Jan de Ruiter	Chairman
Pieter van der Harst	Chief Financial Officer
Jeroen Kremers	Vice-Chairman and Chief Risk Officer
Michael Geslak	Chief Administration Officer

Curriculum Vitae of Managing Board Members

Managing Board members as at 30 June 2011.

Jan de Ruiter

Chairman

Mr. de Ruiter started his career at the Dutch Credit Insurance ('NCM') in 1984 and moved to ABN Bank in 1987. During his 21 years with ABN AMRO Bank N.V., he held various positions in the wholesale division of the bank. From 1987 until 1993 he was a team member of the Institutional Equity Sales team in Amsterdam and from 1993 until 1998 Head of the European Equity sales team, based in London. In 1998 he became the Head of Equity Capital Markets for The Netherlands (Managing Director ABN AMRO Rothschild). Mr. de Ruiter was appointed Corporate Managing Director of ABN AMRO Bank N.V. in 2000. In 2003 he became one of the two joint Chief Executive Officers of ABN AMRO Rothschild. In 2004 he also became responsible for the global Merger & Acquisitions franchise of ABN AMRO Bank N.V. He held both positions until the end of 2007. At the beginning of 2008, following the successful consortium bid for ABN AMRO Bank N.V., he became the country executive of RBS in The Netherlands and was appointed as Chairman of the Managing Board on 1 April 2010. Mr. de Ruiter graduated from the HEAO in Utrecht in 1983 (Economics/Law) and also holds an MBA degree from Webster University.

Pieter van der Harst

Chief Financial Officer

Mr. van der Harst obtained a Degree in Economics in 1985 at the Erasmus University in Rotterdam.

He started his career at the Dutch subsidiary of Banque Indosuez, where, after several positions in risk management and operations, he became Director of Financial Markets in 1993. After the sale of this entity to Dutch savings bank SNS Bank in 1997, he served as Managing Director of SNS Financial Markets, leading the treasury, funding and trading activities of the bank.

Mr. van der Harst joined ABN AMRO Bank N.V. in 2000 as Finance Director at Bouwfonds, a subsidiary active in residential mortgages and real estate development, finance and asset management. Following the sale of Bouwfonds in 2006, he joined ABN AMRO Holding N.V.'s corporate development team. From June 2007 to September 2007 he was acting Chief Financial Officer ("CFO") at ABN AMRO Asset Management. From September 2007 through May 2008 he served as CFO for ABN AMRO Holding N.V.'s business unit North America.

From June 2008 to the legal separation date of 1 April 2010, he fulfilled the role of CFO of the RBS acquired businesses within the Group, in addition to his role as CFO Netherlands for the Group. Currently, he continues to serve as CFO Netherlands as well as Group CFO.

Jeroen Kremers

Vice-Chairman and Chief Risk Officer

Mr. Kremers is Vice-Chairman of the Managing Board and has been Chief Risk Officer of RBS N.V. since April 2010. Previously, he was a member of the ABN AMRO Holding N.V. Managing Board from July 2009. He is also Head of Global Country Risk for RBSG Group. He began his career in 1986 as an Economist for the International Monetary Fund in Washington DC. In 1989 he became Senior Economist at The Netherlands Ministry of Finance, and subsequently Deputy Director for Financial and Economic Policy. He then became Director for Financial Markets in 1997 and was appointed Deputy Treasurer General. He was an Economics Professor at Erasmus University Rotterdam from 1991 till 2003. In 2003, Mr Kremers left the Ministry and was elected

Executive Director of the International Monetary Fund, representing a constituency of 12 European countries. He remained there until 2007, when he moved to ABN AMRO Holding N.V. to become Head of Group Public Affairs. He left ABN AMRO Bank N.V. in 2008 after the takeover. He earned a DPhil at Nuffield College Oxford in 1985, following degrees in Quantitative Economics at Bristol University and in Econometrics at Tilburg University. Mr Kremers is a member of the Senior Advisory Board of Oliver Wyman Financial Services as well as of the Supervisory Board of Maastricht University.

Michael Geslak

Chief Administrative Officer

Mr. Geslak is the Chief Operating Officer (“**COO**”) for Europe, Middle East and Africa with responsibility for support functions across all divisions of RBSG. In addition to this, Mr. Geslak is the Business Partner for Business Services functions into the RBSG Non-Core division (“**NCD**”) and is also Chief Administrative Officer and a Managing Board Member of RBS N.V.

Mr. Geslak has been based in the UK since 2004 having held various global senior management roles at ABN AMRO Bank N.V. prior to the RBSG Group takeover. These included Head of Services (Technology, Operations and Corporate Services) for Europe and Wholesale Clients Services (“**WCS**”) and Chief Information Officer for WCS.

Mr. Geslak is American and, between 1988 and 2004, was based in the US holding senior positions in support functions including finance, risk and operations. This tenure included the role of COO for the Americas region within WCS.

Brian Stevenson

Head of Corporate Banking and Global Transaction Services

Mr. Stevenson is the Chairman of Global Transaction Services, a Division of the RBSG Group. Global Transaction Services (GTS) was established in February 2008 as a new division of the RBSG Group which Mr. Stevenson previously led as Chief Executive. It comprises cash and liquidity management, trade finance and commercial cards. GTS serves corporate, financial institution and public sector clients across more than 37 countries. The combination of legacy ABN AMRO Holding N.V.’s international businesses with the RBS domestic franchises gives the bank a particularly strong position in European transaction services. GTS had an operating profit of £1,088m in 2010. Mr. Stevenson joined the RBSG Group in 2004 as Managing Director, Head of Corporate and Institutional Banking. From 1992 to 2004, Mr. Stevenson was with Deutsche Bank. He was responsible for running Deutsche Bank’s Global Banking Business in London, before becoming the Chief Operating Officer for Global Banking. In his last position at Deutsche Bank, Mr. Stevenson was based in Hong Kong, where he was responsible for the Global Banking Business in Asia Pacific. In 1970 he joined Barclays Group and over the next years held various positions in Barclays Bank PLC and Barclays Merchant Bank & BZW. Mr. Stevenson completed his MBA at Henley Management College. He is an Associate of the Chartered Institute of Bankers in the UK, and is a fellow of the Chartered Institute of Bankers in Scotland.

Managing Board Committees

The Managing Board has four standing committees: the first being a Risk & Control Committee (the Risk & Control Committee of RBS Holdings and of RBS N.V. together, the “**Risk & Control Committee**”), the second being an Asset & Liability Management Committee (the Asset & Liability Management Committee of RBS Holdings and RBS N.V. together, the “**ALCO**”), the third being a Disclosure Committee (the Disclosure Committee of RBS Holdings and RBS N.V., together the “**Disclosure Committee**”) and the fourth being a Power of Attorney Committee (the Power of Attorney Committee of RBS Holdings and of RBS N.V. together, the “**PoA Committee**”).

Risk & Control Committee

The Risk & Control Committee oversees the risk framework within the Group, monitors the actual risk profile and advises the Managing Board. Its scope is credit, market, operational and regulatory risk within the Group.

Asset & Liability Management Committee

The Managing Board has delegated to the ALCO responsibility for the management of capital, liquidity, interest rate risk and foreign exchange risk. This includes, among other tasks, responsibility for reviewing, approving and allocating balance sheet, capital, liquidity and funding limits.

Disclosure Committee

The Disclosure Committee advises and assists the Managing Board in fulfilling its responsibilities for overseeing the accuracy and timeline of public disclosures made by the companies. This includes, among other things, reviewing and advising on the adequacy of the design and establishment of controls and other procedures, including procedures currently used by RBS Holdings and RBS N.V. in this respect.

PoA Committee

The PoA Committee has the authority to appoint holders of a Senior or a Divisional Power of Attorney (in relation to GBM, GTS, Business Services, Global Restructuring Group and NCD) on behalf of RBS Holdings and RBS N.V.

Conflicts of interest and addresses

There are no actual or potential conflicts of interest between the duties to RBS Holdings and/or RBS N.V. of the members of the Supervisory Board and the Managing Board set out above and their private interests and/or other duties which are of material significance to RBS Holdings, RBS N.V. and/or any of such members. Except as described under “– Supervisory Board – Curriculum Vitae of Supervisory Board Members” and “– Managing Board – Curriculum Vitae of Managing Board Members”, the Supervisory Board and Managing Board members do not perform principal activities outside the RBSG Group.

The business address of the members of the Supervisory Board and Managing Board is: The Royal Bank of Scotland N.V., Gustav Mahlerlaan 350, 1082 ME Amsterdam, The Netherlands.

GUARANTEE GIVEN BY RBS HOLDINGS N.V. IN RESPECT OF DEBT OBLIGATIONS OF THE ROYAL BANK OF SCOTLAND N.V.

Set out below is an English translation of the guarantee, which is in the form of a declaration in terms of Article 2:403 of the Dutch Civil Code (referred to below as a “**403 Declaration**”) given on 15 June 1998 by RBS Holdings (then named ABN AMRO Holding N.V.) in respect of debt obligations of RBS N.V. (then named ABN AMRO Bank N.V.):

“The undersigned, ABN AMRO Holding N.V., hereby declares, in accordance with article 403, paragraph 1, subsection f of Book 2 of The Netherlands Civil Code, to be jointly and severally liable for all debts resulting from juridical acts performed by ABN AMRO Bank N.V. after the date hereof.

Amsterdam June 15, 1998

ABN AMRO Holding N.V.”

A copy of the 403 Declaration can be obtained from the Trade Register of the Amsterdam Chamber of Commerce at De Ruyterkade 5, P.O. Box 2852, 1000 CW Amsterdam, The Netherlands.

The 403 Declaration constitutes a statement of joint and several liability governed by and construed in accordance with the laws of The Netherlands. The 403 Declaration is part of the Dutch company law provisions designed to enable subsidiaries of parent companies which publish consolidated annual accounts to obtain an exemption from the requirements to separately publish their own annual accounts. One of the conditions for obtaining such exemption is that a 403 Declaration is issued by the parent company and deposited with the Trade Register of the Chamber of Commerce in the place where the subsidiary is established. The statutory provisions relating to 403 Declarations are contained in Article 2:403 and following of the Dutch Civil Code. A 403 Declaration is an unqualified statement by the parent company that the parent company is jointly and severally liable with the subsidiary for the debts of the subsidiary. The 403 Declaration set out above constitutes the legal, valid and binding obligation of RBS Holdings, enforceable in accordance with its terms. The effect of the issue and deposit by RBS Holdings of its 403 Declaration is that RBS Holdings and RBS N.V. have become jointly and severally liable for all debts of RBS N.V. arising from transactions entered into by RBS N.V. after the date of the deposit. The 403 Declaration accordingly constitutes a guarantee by RBS Holdings for any debt instruments issued by RBS N.V. after the date of deposit. If RBS N.V. should default under such debt instruments, holders concerned may claim against both or either of RBS Holdings and RBS N.V. The liability of RBS Holdings under the 403 Declaration is unconditional and not limited in amount, nor is it limited to certain specific types of obligation. Legal defences available to RBS N.V. against the holder concerned will likewise be available to RBS Holdings. A 403 Declaration may be revoked by the giver at any time. If the 403 Declaration is revoked by RBS Holdings, the situation under Dutch law would be as follows:

- (1) RBS Holdings would remain liable in respect of debt instruments issued by RBS N.V. after the date of deposit but prior to the effective date of such revocation; and
- (2) RBS Holdings would not be liable for debt instruments issued by RBS N.V. after the effective date of such revocation.

The law of The Netherlands provides that in the event that RBS N.V. is no longer a subsidiary of RBS Holdings or otherwise a group company of RBS Holdings, the revocation of the 403 Declaration is under certain conditions capable of releasing RBS Holdings from all obligations

under the 403 Declaration. However, in such event, there are detailed statutory provisions to protect the rights of creditors of RBS N.V.

SUMMARY CONSOLIDATED FINANCIAL INFORMATION RELATING TO RBS HOLDINGS N.V.

The following tables summarise certain financial information of RBS Holdings for its financial years ended 31 December 2010 and 31 December 2009 and have been extracted without adjustment from the audited 2010 Annual Report of RBS Holdings, which were prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS”).

Legal separation of ABN AMRO Bank N.V. took place on 1 April 2010. As a result the Group no longer consolidates the interests of ABN AMRO Bank N.V. and its results are classified as discontinued operations. Results for 2009 have been re-presented accordingly. The Group is indirectly via RFS Holdings B.V. majority owned by the RBSG Group and therefore the presentation of the Group’s financial statements has been aligned with that of the RBSG Group, the ultimate parent company of RBS Holdings. Further details of the reclassifications are provided in the section headed “Financial Statements — Accounting policies — 2 Presentation of accounts — Restatements and changes in presentation” on pages 102 and 103 of the 2010 Annual Report. The changes do not affect the Group’s accounting policies, results, total assets or total liabilities. The presentation of comparatives has been aligned accordingly.

	For the year ended 31 December 2010 (audited)	For the year ended 31 December 2009 (audited and re- presented)
<i>(in millions of euros)</i>		
Operating profit/(loss) before tax.....	425	(4,847)
Tax (charge)/credit.....	(302)	465
Profit/(loss) from continuing operations.....	123	(4,382)
Profit/(loss) from discontinued operations, net of tax	985	(18)
Profit/(loss) for the year.....	1,108	(4,400)

	As at 31 December 2010 (audited)	As at 31 December 2009 (audited)
<i>(in millions of euros)</i>		
Loans and advances	71,201	257,677
Debt securities and equity shares	74,894	102,036
Derivatives and settlement balances	31,845	60,790
Other assets	22,442	48,842
Total assets	200,382	469,345

	As at 31 December 2010 (audited)	As at 31 December 2009 (audited)
	<i>(in millions of euros)</i>	
Subordinated liabilities	6,894	14,666
Deposits	86,890	246,046
Derivatives, settlement balances and short positions	40,875	70,462
Other liabilities	60,751	119,255
Equity attributable to the shareholders of the parent company	4,948	18,880
Non-controlling interests	24	36
Total liabilities and equity	200,382	469,345

	As at 31 December 2010 (unaudited)	As at 31 December 2009 (unaudited)
	<i>(per cent.)</i>	
Core Tier 1 ratio	8.7	16.9
Tier 1 ratio	11.0	19.9
Total capital ratio	15.8	25.5

Share Capital: RBS Holdings

At 31 December 2010, RBS Holding's issued share capital comprised 3,306,843,332 ordinary shares with a par value per ordinary share of €0.56. There are no issued ordinary shares that have not been fully paid. The total issued ordinary share capital is €1,851,832,265.92. For a summary of the rights attaching to the ordinary shares, see "Financial Statements — Notes to the accounts — 24 Share capital" on page 155 of the 2010 Annual Report.

Share Capital: RBS N.V.

At 31 December 2010, RBS N.V.'s issued share capital comprised 255,573,705 ordinary shares with a par value per ordinary share of €4.50. There are no issued ordinary shares that have not been fully paid. The total issued ordinary share capital is €1,150,081,672.50.

GENERAL INFORMATION

RBS Holding's Objects

Article 2 of the articles of association of RBS Holdings, adopted on 1 April 2010, provides that the objects of RBS Holdings are:

- (i) the participation in, collaboration with and financing, administration and management of other enterprises and companies, to provide security for the debts of third parties, and the performance of all acts, activities and services which are related or may be conducive thereto;
- (ii) to render services and to perform activities as a financial services provider (*financiële dienstverlener*) as defined in the Financial Supervision Act (*Wet op het financieel toezicht*) and the performance of all other acts and activities which are related or may be conducive thereto, all in the broadest possible sense; and
- (iii) the fostering of the direct and indirect interests of all those who are involved in any way with RBS Holdings and the safeguarding of the continuity of RBS Holdings and its affiliated enterprise(s).

RBS N.V.'s Objects

Article 2 of the articles of association of RBS N.V., adopted on 1 April 2010, provides that the objects of RBS N.V. are:

- (i) to engage in banking and stockbroking, to administer the assets of third parties, to act as trustee, administrator and executor of wills and as a member of the managing or supervisory boards or liquidator of companies or other organisations, to provide insurance services and to engage in all transactions, activities and services which may relate or be conducive thereto, all in the widest sense;
- (ii) to participate in, co-operate with, finance, administer and manage other enterprises and companies and to engage in all transactions, activities and services which may relate or be conducive to the above; and
- (iii) to foster the direct and indirect interests of all involved in RBS N.V., in whatever way, and to safeguard the continuity of RBS N.V. and the enterprise(s) associated therewith.

Documents Available for Inspection

So long as this Registration Document is valid as described in Article 9 of the Prospectus Directive, copies of the following documents will, when published, be available, free of charge, from the registered office of RBS N.V.:

- (i) a copy of this Registration Document.
- (ii) the documents incorporated by reference into this Registration Document as set out in paragraphs (a) to (j) in the section "Documents Incorporated by Reference" below; and
- (iii) an English translation of the Articles of Association (*statuten*) of each of RBS Holdings and RBS N.V. as in force and effect on the date of this Registration Document.

Copies of these documents as well as any annual financial statements and interim financial information to be published in the future are also accessible via http://www.investors.rbs.com/RBS_NV. Other than the information explicitly incorporated by reference into this Registration Document, the information found at that website does not form part of and is not incorporated by reference into this Registration Document.

A copy of the 403 Declaration is available for inspection at the Trade Register of the Amsterdam Chamber of Commerce at De Ruyterkade 5, P.O. Box 2852, 1000 CW Amsterdam, The Netherlands.

No Significant Change and No Material Adverse Change

There has been no significant change in the trading or financial position of the Group taken as a whole since 30 June 2011 (the end of the last financial period for which either audited financial information or interim financial information has been published).

Save in relation to matters referred to on pages 42 to 43 of the RBS Holdings N.V. Interim Results, relating to the Group's exposure to Greek sovereign debt, which the Group has made provision for therein, there has been no material adverse change in the prospects of the Group taken as a whole since 31 December 2010 (the last date to which the latest audited published financial information of the Group was prepared).

Financial Information

On the basis of article 403 of part 9 of Book 2 of The Netherlands Civil Code, RBS N.V. is not required to publish annual financial statements. Only abbreviated financial statements are required to be drawn up and approved by the Management Board of RBS N.V. The shareholders of RBS N.V. have agreed to this in a declaration of consent, dated 29 April 2010 and filed with the Chamber of Commerce in Amsterdam. The assets and liabilities and the income statement of RBS N.V. are fully consolidated in the consolidated financial statements of RBS Holdings N.V. for the periods covered by the financial information incorporated by reference into this Registration Document.

Auditors

The consolidated financial statements of RBS Holdings for the years ended 31 December 2010 and 31 December 2009 as set out in the 2010 Annual Report and the 2009 Annual Report respectively, have been audited by Deloitte Accountants B.V. ("**Deloitte**"). Deloitte have issued unqualified auditors' reports on the financial statements for the years ended 31 December 2010 and 31 December 2009. Deloitte is located at Orlyplein 10, P.O. Box 58110, 1043 DP Amsterdam, The Netherlands. The individual auditors of Deloitte are members of the Royal NIVRA (the *Koninklijke Nederlands Instituut van registeraccountants*), which is a member of the International Federation of Accountants (IFAC). Following legal separation, Deloitte have continued as the auditors of RBS Holdings and RBS N.V.

Material Contracts

RBS Holdings and RBS N.V. and their respective subsidiaries are party to various contracts in the ordinary course of business. For a description of contracts that are not entered into in the ordinary course of RBS Holdings' and/or RBS N.V.'s business which could result in any member of the Group being under an obligation or entitlement that is material to RBS Holdings' and/or RBS N.V.'s ability to meet its obligation to security holders in respect of securities being issued by RBS Holdings or RBS N.V. on the basis of, *inter alia*, this Registration Document please refer to:

- (i) the paragraph "Additional Information — Material contracts" on page 220 of the 2010 Annual Report;
- (ii) the section headed "Business review — Risk and balance sheet management — Participation in UK Government's Asset Protection Scheme" on pages 78 and 79 of the 2010 Annual Report; and

- (iii) the risk factor under the heading “Risk Factors – Risks relating to the Asset Protection Scheme and the Contracts (as defined below)” in relation to the amendment and restatement of the Contracts (as defined in the section headed “Risk Factors – Risks relating to the Asset Protection Scheme and the Contracts (as defined below)”).

FORWARD-LOOKING STATEMENTS

Certain sections in, or incorporated by reference in, this Registration Document contain “forward-looking statements”, such as statements that include the words “expect”, “estimate”, “project”, “anticipate”, “believes”, “should”, “intend”, “plan”, “could”, “probability”, “risk”, “Value-at-Risk (VaR)”, “target”, “goal”, “objective”, “will”, “endeavour”, “outlook”, “optimistic”, “prospects” and similar expressions or variations on such expressions.

In particular, this Registration Document includes forward-looking statements relating, but not limited to: the Group’s restructuring plans, capitalisation, portfolios, net interest margin, capital ratios, liquidity, risk-weighted assets, return on equity, cost : income ratios, leverage and loan : deposit ratios, funding and risk profile, the Group’s future financial performance, the level and extent of future impairments and write-downs, the protection provided by the Contracts, and the Group’s potential exposures to various types of market risks, such as interest rate risk, foreign exchange rate risk and commodity and equity price risk. These statements are based on current plans, estimates and projections, and are subject to inherent risks, uncertainties and other factors which could cause actual results to differ materially from the future results expressed or implied by such forward-looking statements. For example, certain of the market risk disclosures are dependent on choices about key model characteristics and assumptions and are subject to various limitations. By their nature, certain of the market risk disclosures are only estimates and, as a result, actual future gains and losses could differ materially from those that have been estimated.

Other factors that could cause actual results to differ materially from those estimated by the forward-looking statements contained in, or incorporated by reference in, this Registration Document include, but are not limited to: the financial condition of the RBSG Group; the global economic and financial market conditions and other geopolitical risks, and their impact on the financial industry in general and on the Group in particular; the financial stability of other financial institutions, and the Group’s counterparties and borrowers; the ability to complete restructurings on a timely basis, or at all, including the disposal of certain non-core assets and assets and businesses required as part of the EC State Aid restructuring plan of the RBSG Group; organisational restructuring, including any adverse consequences of transferring, a failure to transfer, or any delay in transferring, certain business assets and liabilities from RBS N.V. to RBS; the ability to access sufficient funding to meet liquidity needs; the extent of future write-downs and impairment charges caused by depressed asset valuations; the inability to hedge certain risks economically; unanticipated turbulence in interest rates, yield curves, foreign currency exchange rates, credit spreads, bond prices, commodity prices, equity prices and basis, volatility and correlation risks; changes in the credit ratings of the Group; ineffective management of capital or changes to capital adequacy or liquidity requirements; changes to the valuation of financial instruments recorded at fair value; competition and consolidation in the banking sector; the ability of the Group to attract or retain senior management or other key employees; regulatory or legal changes (including those requiring any restructuring of the Group’s operations) in The Netherlands, the United States, the United Kingdom, the rest of Europe and other countries in which the Group operates or a change in policy of the government of The Netherlands; changes to regulatory requirements relating to capital and liquidity; changes to the monetary and interest rate policies of the central banks and other governmental and regulatory bodies; pension fund shortfalls; litigation and regulatory investigations; general operational risks; insurance claims; reputational risk; changes in Dutch and foreign laws, regulations, accounting standards and taxes, including changes in regulatory capital regulations and liquidity requirements; the protection provided to the Group pursuant to the Contracts and their effect on the Group’s financial and capital position; limitations on, or additional requirements imposed on, the Group’s activities as a

result of HM Treasury's investment in the RBSG Group; and the success of the Group in managing the risks involved in the foregoing.

The forward-looking statements contained in, or incorporated by reference in, this Registration Document speak only as of the date of this Registration Document, and the Group does not undertake to update any forward-looking statement to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

For a further discussion of certain risks faced by the Group, see "Risk Factors" on pages 3 to 19.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which are (1) publicly available and (2) approved by the AFM or filed with it shall be deemed to be incorporated in, and form part of, this Registration Document:

- (a) the Articles of Association (*statuten*) of each of RBS Holdings and RBS N.V. as in force and effect on the date of this Registration Document;
- (b) the RBS Holdings N.V. Annual Report 2010 (the “**2010 Annual Report**”) (excluding the section headed “Business Review — Risk Factors” on page 9 and the section headed “Additional Information — Risk Factors” on pages 221 to 231) which includes the audited consolidated annual financial statements of RBS Holdings as at and for the year ended 31 December 2010 (prepared in accordance with IFRS). The audited consolidated annual financial statements of RBS Holdings appear on pages 96 to 193 of the 2010 Annual Report and the auditor’s report thereon appears on page 199 of the 2010 Annual Report;
- (c) the ABN AMRO Holding N.V. Annual Report 2009 (the “**2009 Annual Report**”) (excluding the section headed “Risk Factors” on pages 61 to 68) which includes the audited consolidated annual financial statements of ABN AMRO Holding N.V. (now renamed RBS Holdings N.V.) as at and for the year ended 31 December 2009 (prepared in accordance with IFRS). The audited consolidated annual financial statements of ABN AMRO Holding N.V. appear on pages 82 to 235 of the 2009 Annual Report and the auditor’s report thereon appears on pages 193 to 197 of the 2009 Annual Report;
- (d) the following sections of the 2010 Annual Report and Accounts of RBSG, which were published by RBSG on 17 March 2011:
 - (i) Independent auditors’ report on page 267;
 - (ii) Consolidated income statement on page 268;
 - (iii) Consolidated statement of comprehensive income on page 269;
 - (iv) Balance sheets as at 31st December 2010 on page 270;
 - (v) Statements of changes in equity on pages 271 to 273;
 - (vi) Cash flow statements on page 274;
 - (vii) Accounting policies on pages 275 to 286;
 - (viii) Essential reading – We have met, and in some cases exceeded, the targets for the second year of our Strategic Plan on page 1;
 - (ix) Chairman’s statement on pages 2 to 3;
 - (x) Group Chief Executive’s review on pages 4 to 5;
 - (xi) Our key targets on page 7;
 - (xii) Our business and our strategy on pages 10 to 19;
 - (xiii) Divisional review on pages 21 to 41;
 - (xiv) Business review on pages 50 to 224;
 - (xv) Report of the Directors on pages 230 to 234;
 - (xvi) Corporate governance on pages 235 to 245;
 - (xvii) Letter from the Chair of the Remuneration Committee on pages 246 to 247;

- (xviii) Directors' remuneration report on pages 248 to 263;
 - (xix) Directors' interests in shares on page 264;
 - (xx) Notes on the accounts on pages 287 to 385;
 - (xxi) Financial Summary on pages 387 to 395;
 - (xxii) Exchange rates on page 395;
 - (xxiii) Economic and monetary environment on page 396;
 - (xxiv) Supervision on page 397;
 - (xxv) Regulatory developments and reviews on pages 398 to 399;
 - (xxvi) Description of property and equipment on page 399;
 - (xxvii) Major shareholders on page 399;
 - (xxviii) Material contracts on pages 399 to 404; and
 - (xxix) Glossary of terms on pages 434 to 439;
- (e) the following sections of the 2009 Annual Report and Accounts of RBSG, which were published by RBSG on 18 March 2010:
- (i) Independent auditors' report on page 240;
 - (ii) Consolidated income statement on page 241;
 - (iii) Consolidated statement of comprehensive income on page 242;
 - (iv) Balance sheets as at 31st December 2009 on page 243;
 - (v) Statements of changes in equity on pages 244 to 246;
 - (vi) Cash flow statements on page 247;
 - (vii) Accounting policies on pages 248 to 258;
 - (viii) Notes on the accounts on pages 259 to 348;
 - (ix) What we have achieved on page 1 (excluding the financial information on that page which is indicated as being "pro forma");
 - (x) Chairman's statement on pages 2 to 3;
 - (xi) Group Chief Executive's review on pages 4 to 6;
 - (xii) Our strategic plan and progress on pages 12 to 19;
 - (xiii) Divisional review on pages 20 to 41;
 - (xiv) Business review on pages 49 to 85 and pages 108 to 206 (excluding the financial information on pages 72 to 85 and pages 108 to 116 which is indicated as being "pro forma");
 - (xv) Report of the Directors on pages 208 to 213;
 - (xvi) Corporate governance on pages 214 to 222;
 - (xvii) Letter from the Chairman of the Remuneration Committee on pages 223 to 224;
 - (xviii) Directors' remuneration report on pages 225 to 236;

- (xix) Directors' interests in shares on page 237;
 - (xx) Impairment review on pages 302 to 303;
 - (xxi) Financial Summary on pages 350 to 359;
 - (xxii) Exchange rates on page 359;
 - (xxiii) Economic and monetary environment on page 360;
 - (xxiv) Supervision on page 361;
 - (xxv) Regulatory developments and reviews on pages 361 to 362;
 - (xxvi) Description of property and equipment on pages 362 to 363;
 - (xxvii) Major shareholders on page 363;
 - (xxviii) Material contracts on pages 363 to 369; and
 - (xxix) Glossary of terms on pages 383 to 387;
- (f) The Royal Bank of Scotland Group plc unaudited interim results for the half year ended 30 June 2011 published on 5 August 2011;
 - (g) the section headed "Risk Factors" on pages 3 to 25 of the registration document (the "**RBSG Registration Document**") dated 5 August 2011 of RBSG;
 - (h) the press release entitled "Proposed transfers of a substantial part of the business activities of RBS N.V. to RBS plc" published by RBSG on 19 April 2011;
 - (i) the press release entitled "Details of Part VII Scheme – Securities issued by, and guarantees granted by, RBS N.V." published by RBSG on 22 July 2011; and
 - (j) the RBS Holdings N.V. unaudited Interim Results for the half year ended 30 June 2011 dated 31 August 2011 ("**RBS Holdings N.V. Interim Results**").

Copies of the documents incorporated by reference into this Registration Document as well as any annual and interim consolidated financial statements for RBS Holdings to be published in the future are accessible via http://www.investors.rbs.com/RBS_NV (other than the information explicitly incorporated by reference into this Registration Document, the information found at this website does not form part of and is not incorporated by reference into this Registration Document).

Copies of the documents incorporated by reference into this Registration Document are also available on request, free of charge, by writing or telephoning us at:

The Royal Bank of Scotland Group plc, Investor Relations, 280 Bishopsgate, London EC2M 4RB, United Kingdom, telephone +44 207 672 1758, e-mail investor.relations@rbs.com.

Any information or other documents themselves incorporated by reference, either expressly or implicitly, in the documents incorporated by reference in this Registration Document shall not form part of this Registration Document, except where such information or other documents are specifically incorporated by reference into this Registration Document.

It should be noted that, except as set forth above, no other portion of the above documents is incorporated by reference into this Registration Document. In addition, where sections of any of the above documents which are incorporated by reference into this Registration Document cross-reference other sections of the same document which are not incorporated by reference into this

Registration Document, such cross-referenced information shall not form part of this Registration Document.

RBS HOLDINGS N.V. AND THE ROYAL BANK OF SCOTLAND N.V.

Office address

Gustav Mahlerlaan 350
1082 ME Amsterdam
The Netherlands

Mailing address

Post Office Box 12925
1100 AX Amsterdam
The Netherlands

INDEPENDENT PUBLIC ACCOUNTANTS

To the RBS Holdings N.V. and to The Royal Bank of Scotland N.V.

Deloitte Accountants B.V.

Orlyplein 10
P.O. Box 58110
1043 DP Amsterdam
The Netherlands