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CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities Offered	Maximum Aggregate Offering Price	Amo
Callable Capped CMS Steepener Notes	$15,000,000	

(1) Calculated in accordance with Rule 457(r) of the Securities Act of 1933

Pricing Supplement No. 116 Dated November 10, 2010
to Registration Statement Nos. 333-162193 and 333-162193-01
(Prospectus Supplement Dated April 2, 2010
and Prospectus Dated April 2 2010)
Rule 424(b)(2)

THE ROYAL BANK OF SCOTLAND N.V.
Callable Capped CMS Steepener Notes
Due November 2030

Issuer:	The Royal Bank of Scotland N.V.	**Pricing Date:**	Novembe
Lead Agent:	RBS Securities Inc.	**Settlement Date:**	Novembe
Issue Price:	100%	**Maturity Date:**	Novembe
CUSIP:	78009KNQ1	**ISIN:**	US78009
Status and Guarantee:	**Unsecured, unsubordinated obligations of the Issuer, fully and unconditi the Issuer's parent company, RBS Holdings N.V.**		
Payment at Maturity:	100% of the principal amount, plus accrued and unpaid interest, if any, to but Date. Any payment at maturity is subject to the creditworthiness of The Royal as the issuer, and RBS Holdings N.V., as guarantor.		
Interest Payments:	Interest will be payable quarterly in arrears on each Interest Payment Date. prior to November 16, 2011 will accrue based on the Initial Interest Rate. Int Interest Payment Date thereafter will accrue based on the Interest Rate Formula		
Interest Payment Dates:	16th day of each February, May, August and November commencing on Febru such day is not a Business Day, on the following Business Day, and no additiona respect of the delay in the interest payment. The last Interest Payment Date w or the Early Redemption Date (as defined below), as applicable.		
	Interest payable on or after February 16, 2012 will be calculated based on a ra the product of (a) 4 and (b) the Reference Rate, subject to the Minimum Maximum Interest Rate.		

Interest Rate Formula:	**Initial Interest Rate:**	**Minimum Interest Rate:**
	10.00% per annum	0.00% per annum
Reference Rate:	The 10-Year U.S. Dollar Constant Maturity Swap Rate ("CMS10") *minus* t Constant Maturity Swap Rate ("CMS2") *minus* 0.25%.	
CMS10 and CMS2:	The rates that appear on Reuters page ISDA FIX1 under the heading "10YR" a at 11:00 a.m., New York City time, on the Interest Determination Date (as define do not appear on Reuters page ISDA FIX1 on the Interest Determination Dat method of determining such rates as described under "Information Regard Unavailability of CMS10 or CMS2" herein.	
Optional Early Redemption:	We may redeem all of the Notes at the Redemption Price set forth below, on Date commencing on November 16, 2011, provided we give at least ten (10 written notice to the holders. If we exercise our redemption option, the Inte which we redeem the Notes will be referred to as the "Early Redemption Date."	
Redemption Price:	100% of the principal amount together with any accrued and unpaid interest to Redemption Date.	
Comparable Yield:	5.52%	

	Price to Public	Agent's Commission[1]	Pro
Per Security	$1,000	$44.07	
Total	$15,000,000	$661,050	

[1] For additional information see "Plan of Distribution (Conflicts of Interest)" in this Pricing Supplement

The Notes are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation, the Deposit Insurance Fu agency, nor are they obligations of, or guaranteed, by a bank.

Investing in the Notes involves a number of risks. See "Risk Factors" beginning on page 7 of this Pricing Supplement.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved these Notes, or determin or the accompanying Prospectus Supplement or Prospectus are truthful or complete. Any representation to the contrary is a criminal o

This Pricing Supplement and the accompanying Prospectus Supplement and Prospectus may be used by our affiliates in connection with of market-making transactions.

RBS Securities Inc.

PRICE: $1,000 PER NOTE

WHERE YOU CAN FIND MORE INFORMATION

The Royal Bank of Scotland N.V. ("RBS N.V.") and RBS Holdings N.V have filed a registration statement and Prospectus Supplement) with the Securities and Exchange Commission, or SEC, for the offering to which relates. Before you invest, you should read the Prospectus and Prospectus Supplement in that registration stateme that RBS N.V. and RBS Holdings N.V. have filed with the SEC for more complete information about RBS N.V., RB offering of the Notes. You may get these documents for free by visiting EDGAR on the SEC website at www.sec N.V., any underwriter or any dealer participating in the offering will arrange to send you the Prospectus and Prosp request it by calling toll free (866) 747-4332.

You should read this Pricing Supplement together with the Prospectus dated April 2, 2010, as suppleme Supplement dated April 2, 2010 relating to our RBS Notes^{SM} of which these Notes are a part. **This Pricing Supple documents listed below, contains the terms of the Notes and supersedes all other prior or contemporane well as any other written materials including preliminary or indicative pricing terms, correspondence, trad implementation, sample structures, fact sheets, brochures or other educational materials of ours.** You sh among other things, the matters set forth in "Risk Factors" in this Pricing Supplement, as the Notes involve ri conventional debt securities. We urge you to consult your investment, legal, tax, accounting and other advisors Notes.

You may access these documents on the SEC website at www.sec.gov as follows (or if such address ha our filings for the relevant date on the SEC website):

- Prospectus Supplement dated April 2, 2010:
  http://www.sec.gov/Archives/edgar/data/897878/000095010310001004/crt_dp17140-424b2.pdf

- Prospectus dated April 2, 2010:
  http://www.sec.gov/Archives/edgar/data/897878/000095010310000965/crt_424b2.pdf

Our Central Index Key, or CIK, on the SEC website is 897878. As used in this Pricing Supplement, "RB "we," "us" or "our" refers to The Royal Bank of Scotland N.V.; "Holdings" refers to RBS Holdings N.V.

These Notes may not be offered or sold (i) to any person/entity listed on sanctions lists of the E States or any other applicable local competent authority; (ii) within the territory of Cuba, Sudan, Iran residents of Cuba, Sudan, Iran or Myanmar; or (iv) to Cuban Nationals, wherever located.

We reserve the right to withdraw, cancel or modify any offering of the Notes and to reject orders in whol issuance.

RBS Notes[SM] is a Service Mark of The Royal Bank of Scotland N.V.

THE ROYAL BANK OF SCOTLAND N.V.
Callable Capped CMS Steepener Notes
Due November 2030

SUMMARY

The following summary does not contain all the information that may be important to you. You should rea with the more detailed information that is contained in this Pricing Supplement, the accompanying Pros Supplement. You should carefully consider, among other things, the matters set forth in "Risk Factors" beginning Supplement. In addition, we urge you to consult with your investment, legal, accounting, tax and other advis investment in the Notes.

What are the Notes?

The Notes are issued by us, The Royal Bank of Scotland N.V., and are fully and unconditionally guarantee RBS Holdings N.V. The Notes are senior notes of The Royal Bank of Scotland N.V. that have a maturity of 20 ye them at our option on any Interest Payment Date commencing on November 16, 2011.

The Notes are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Insurance Fund or any other governmental agency, nor are they obligations of, or guaranteed, by a bank.

All payments on the Notes, including payment of principal at maturity, are subject to the creditw Bank of Scotland N.V., as the issuer, and RBS Holdings N.V., as guarantor. In other words, payments on th the ability of The Royal Bank of Scotland N.V. and RBS Holdings N.V. to meet their payment obligations whe

What will I receive at maturity of the Notes?

Unless the Notes have been earlier redeemed, for each $1,000 principal amount of Notes, you will receive $1,000, and any accrued and unpaid interest on the Notes, at maturity.

Will I receive interest payments?

Yes. Interest will be payable quarterly in arrears on the 16th day of each February, May, August and Nov February 16, 2011 (each an "Interest Payment Date"); *provided*, *that*, if such day is not a Business Day, inte immediately succeeding Business Day and no additional interest will accrue in respect of such delay. Interest, if a the basis of a 360-day year consisting of twelve 30-day months.

"Business Day" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a institutions are authorized or required by law or regulation to close in The City of New York.

How will the interest on the Notes be calculated?

One of our affiliates, RBS Securities Inc., will serve as calculation agent for the Notes, and will determine th Notes in accordance with the following Interest Rate Formula:

- From an including the Settlement Date and through but excluding November 16, 2011, interest on the rate of 10.00% per annum.
- Thereafter, interest on the Notes will accrue at a rate per annum equal to:

4 x (CMS10 – CMS2 – 0.25%)

However, in no event will the interest rate payable on the Notes be greater than 10.00% per annum annum. Because interest is paid quarterly you will receive a pro rated amount of the per annum rate.

“CMS10” means the 10-Year U.S. Dollar Constant Maturity Swap Rate that appears on Reuters page ISDA "10YR" at 11:00 a.m., New York City time, on the Interest Determination Date.

“CMS2” means the 2-Year U.S. Dollar Constant Maturity Swap Rate that appears on Reuters page ISDA "2YR" at 11:00 a.m., New York City time, on the Interest Determination Date.

If either CMS10 or CMS2 (collectively, "CMS Rates") does not appear on Reuters page ISDA FIX1 on th
Date, the calculation agent will use another method of determining such rates as described under "Information Reg
Unavailability of CMS10 or CMS2" herein.

The "Interest Determination Date" for each Interest Payment Period will be the second Business Day prio
Reset Date.

For each quarterly Interest Payment Period on and after November 16, 2011, the rate of interest payable o
on the first day of such Interest Payment Period, which we refer to as an "Interest Reset Date."

The first Interest Payment Period will commence on, and will include, the Settlement Date of the Notes
exclude, the first Interest Payment Date. Thereafter, each Interest Payment Period will commence on, and will inclu
Date and will end on, but will exclude, the succeeding Interest Payment Date, the Early Redemption Date c
applicable.

Is the interest payable on the Notes limited in any way?

Yes. The interest payable on the Notes will not exceed 10.00% per annum, even if CMS10 significantly
Interest Determination Date. Further, interest payable on the Notes on any Interest Payment Date occurring on or
will depend on the Reference Rate on the relevant Interest Determination Date, which will depend in turn on the a
exceeds CMS2. You may not receive any interest on or after February 16, 2012 if the Reference Rate is equal to or

Further, we may redeem the Notes on any Interest Payment Date on or after November 16, 2011. If we ele
you will not receive any interest payments after the Early Redemption Date.

When may we redeem the Notes and what will I receive upon redemption?

We may, at our option, redeem all of the Notes on any Interest Payment Date, commencing on November 1
Interest Payment Date on which we redeem the Notes as the "Early Redemption Date." If we elect to redeem th
written notice of such redemption to the holders not less than ten (10) Business Days prior to the Early Redemptio
principal amount of Notes redeemed, you will receive a cash payment equal to $1,000, plus any accrued and
excluding, the Early Redemption Date.

We are generally more likely to redeem the Notes during periods when then prevailing interest rates ar
interest payable on the Notes.

What is the minimum required purchase?

You may purchase Notes in minimum denominations of $1,000 or in integral multiples thereof.

Is there a secondary market for the Notes?

The Notes will not be listed on any securities exchange. Accordingly, there may be little or no secondary m
as such, information regarding independent market pricing for the Notes may be extremely limited. You should be w
until the Maturity Date.

We anticipate that one or more of our affiliates will make a market in the Notes. Our affiliates may make pu
Notes from time to time in off-exchange transactions or pay post indicative prices for the Notes in the secondary m
our affiliates is required to do so, and any of them may discontinue any market-making activities and may stop po
any time.

If you sell your Notes before the Maturity Date, the price that you receive may be less than the original iss
the price that you paid for them.

What are CMS10 and CMS2?

For purposes of the Notes, CMS10 and CMS2 are “constant maturity swap rates” that measure the fixed ra a hypothetical fixed-for-floating U.S. dollar interest rate swap transaction with a maturity of ten years and two years hypothetical swap transaction, the fixed rate of interest, payable semi-annually on the basis of a 360-day year co months, is exchangeable for a floating 3-month LIBOR-based payment stream that is payable quarterly on the basis days elapsed during a quarterly period in a 360-day year. “LIBOR” is the London Interbank Offered Rate, and is the banks borrow funds from each other in the London interbank market. 3-Month LIBOR is the rate of interest which each other for loans for a period of three months.

Interest payable on the Notes on and after February 16, 2012 will be imperfectly correlated to the differ interest rates (as measured by CMS10) and short-term interest rates (as measured by CMS2). Although long-term in follow short-term interest rates, movements in long-term interest rates generally tend to be smaller than moveme rates. As such, when short-term interest rates rise, the difference between CMS10 and CMS2 tends to narrow flattens); conversely, when short-term interest rates fall, the spread widens (the curve of the spread becomes steep 2011, interest payable on the Notes will be greater the wider the spread between CMS10 and CMS2 (assuming tha CMS10 and CMS2 is greater than 0.25%), and the steeper the curve of the spread, as of each Interest Determinatio

How have CMS10 and CMS2 performed historically?

We have provided below under “Information Regarding the CMS Rates” additional information on the CMS the historical levels of CMS10 and CMS2. We have provided this historical information to help you evaluate the be in various periods. Historical levels of the CMS Rates, however, are not indicative of future levels of CMS Rates.

What else should I consider before investing the Notes?

The Notes are not suitable for all investors. You may wish to consider the Notes if:

- you believe that CMS10 will generally be greater than CMS2 during the term of the Notes;
- you are willing and able to hold the Notes to maturity, but are willing to have the Notes redeemed a November 16, 2011; and
- you are willing to bear the risk that the Notes may bear a below market interest rate which may in fact be

You should carefully consider whether the Notes are suited to your particular circumstances before you deci addition, we urge you to consult with your investment, legal, accounting, tax and other advisors with respect to any i

What are the tax consequences of owning the Notes?

We intend to treat the Notes as "contingent payment debt instruments" for U.S. federal tax purposes. As a taxable investor, regardless of your method of accounting, you will generally be required to accrue as ordinary inc the "comparable yield" of the Notes, as determined by us, which may be in excess of any actual interest payments particular taxable year. Further, the amount of income a U.S. taxable investor will be required to recognize each ye extent the amount of the actual interest payments on the Notes differ from the projected amounts payable in such ye recognized upon a sale, exchange or retirement of the Notes will generally be treated as ordinary interest income fo purposes.

You should review the section in this Pricing Supplement entitled "United States Federal Income T you are urged to consult your tax adviser regarding the tax treatment of the Notes and whether a pu advisable in light of the tax treatment and your particular situation.

Tell me more about The Royal Bank of Scotland N.V. and RBS Holdings N.V.

The Royal Bank of Scotland N.V. is the new name of ABN AMRO Bank N.V.

RBS Holdings N.V. is the new name of ABN AMRO Holdings N.V.

On February 6, 2010, ABN AMRO Bank N.V. changed its name to The Royal Bank of Scotland N.V. an AMRO Holdings N.V. changed its name to RBS Holdings N.V.

The name changes are not changes of the legal entities that will issue and guarantee, respectively, the Note the name changes do not affect any of the terms of the Notes. The Notes will continue to be issued by The Royal Ba to be fully and unconditionally guaranteed by The Royal Bank of Scotland N.V.'s parent company, RBS Holdings N.V

While the name "ABN AMRO Bank N.V." is used by a separate legal entity, which is owned by the State "Dutch State"), neither the separate legal entity named ABN AMRO Bank N.V. nor the Dutch State will, in any way support the obligations under the Notes.

The Royal Bank of Scotland N.V. and RBS Holdings N.V. are both affiliates of The Royal Bank of Royal Bank of Scotland Group plc; however, none of The Royal Bank of Scotland plc, The Royal Bank of Sc UK government, in any way, guarantees or otherwise supports the obligations under the Notes.

For additional information, see "The Royal Bank of Scotland N.V. and RBS Holdings N.V." in the accompany April 2, 2010.

What are some of the risks in owning the Notes?

Investing in the Notes involves a number of risks. We have described the most significant risks relating heading "Risk Factors" in this Pricing Supplement, beginning on the next page, which you should read before mak Notes.

THE ROYAL BANK OF SCOTLAND N.V.
Callable Capped CMS Steepener Notes
Due November 2030

RISK FACTORS

An investment in the Notes entails significant risks. You should carefully consider the risks related to the N Notes are suited to your particular circumstances before deciding to purchase them. The Notes are not an appropr you are not knowledgeable about significant elements of the Notes or financial matters in general. In addition, we your investment, legal, accounting, tax and other advisors with respect to any investment in the Notes.

Credit Risk

The Notes are issued by RBS N.V. and guaranteed by RBS Holdings N.V., RBS N.V.'s parent company. the Notes assume the credit risk of RBS N.V. and that of RBS Holdings N.V. in the event that RBS N.V. defaults on Notes. This means that if RBS N.V. and RBS Holdings N.V. fail, become insolvent, or are otherwise unable to pay th Notes, you could lose some or all of your initial principal investment.

Although We Are a Bank, the Notes Are Not Bank Deposits and Are Not Insured or Guaranteed by the Fed Corporation, the Deposit Insurance Fund or any Other Government Agency

The Notes are our obligations but are not bank deposits. In the event of our insolvency the Notes will ran unsecured, unsubordinated obligations and will not have the benefit of any insurance or guarantee of the Fe Corporation, the Deposit Insurance Fund or any other governmental agency.

You May Not Earn Any Return on Your Investment After November 16, 2011

The interest payable on the Notes after November 16, 2011 will depend on the Reference Rate (which is between CMS10 and CMS2, minus 0.25%), and the extent to which the Reference Rate is greater than zero Determination Dates. As a result, you could receive little or no interest payment on one or more of the Intere November 16, 2011. If the Reference Rate is constantly less than or equal to zero on each Interest Determination D Notes, even if the Reference Rate is greater than zero on other days during the term of the Notes, your return on th the first four interest payments occurring on and prior to November 16, 2011.

We have no control over various matters, including economic, financial and political events, which may aff and CMS2, and thus the Reference Rate. In recent years, CMS10 and CMS2 have been volatile, and such volatility future. However, historical performance is not necessarily indicative of what may occur in the future. You sho U.S. Dollar Constant Maturity Swap Rates and related interest rate movements, and must be willing to forgo gua interest for most of the term of the Notes, before investing.

Your Return is Limited

The interest rate payable on the Notes will not be greater than 10.00% per annum. Accordingly, eve exceeds CMS2 on each Interest Determination Date during the term of the Notes, your return on the Notes may no this differential. Further, we may redeem the Notes on any Interest Payment Date on or after November 16, 2011. Notes, you will not receive any interest payments after the Early Redemption Date. Your ability to realize a higher Notes is limited by our right to redeem the Notes prior to their scheduled maturity, which may adversely affect the secondary market, if any.

The Return on the Notes May Be Lower Than the Return on a Conventional Debt Security With a Comparabl

The return on the Notes will be based on the difference between CMS10 and CMS2, minus 0.25%. W fluctuations in the CMS Rates. The return on the Notes may be less than the returns on conventional debt secu maturity.

We May Redeem the Notes Before Maturity

We have the right to redeem all the Notes on any Interest Payment Date commencing on November 1
prepared to have your Notes redeemed as early as that date. It is more likely that we will redeem the Notes prior t
difference between CMS10 and CMS2 increases, resulting in an interest rate on the Notes being greater th
instruments with a comparable maturity and credit rating that are trading in the market. Therefore, it is more likely
Notes at a time when the interest rate payable on the Notes is higher rather than lower.

If we redeem the Notes prior to the Maturity Date, you may be unable to invest your proceeds from the rede
with a return that is as high as the return on the Notes would have been if they had not been redeemed. Your ability
market yield on the Notes is limited by our right to redeem the Notes prior to their scheduled maturity, which may a
of the Notes in the secondary market, if any.

Liquidity Risk

The Notes will not be listed on any securities exchange. Accordingly, there may be little or no secondary r
information regarding independent market pricing of the Notes may be very limited or non-existent. The value of the
market, if any, will be subject to many unpredictable factors, including then prevailing market conditions. We cann
will trade in any secondary market or whether that market will be liquid or illiquid. We cannot assure you that a tradi
will ever develop or be maintained. There may be a limited number of buyers when you decide to sell your Notes, w
you receive for your Notes or your ability to sell your Notes at all.

We anticipate that one or more of our affiliates will make a market in the Notes. Our affiliates may make pu
Notes from time to time in off-exchange transactions or pay post indicative prices for the Notes in the secondary
website or via Bloomberg. However, none of our affiliates is required to do so, and any of them may disconti
activities and may stop posting indicative prices at any time. Further, any prices shown on any website or Bloom
prices only and, as such, there can be no assurance that any trade could be executed at such prices.

If you sell your Notes before the Maturity Date, the price that you receive may be less than the original iss
the price that you paid for them.

You Must Rely on Your Own Evaluation of the Merits of an Investment Linked to the CMS Rates

In the ordinary course of their businesses, our affiliates may have expressed views on expected movement
related interest rates, and may do so in the future. These views or reports may be communicated to our cl
affiliates. However, these views are subject to change from time to time. Moreover, other professionals who deal i

CMS Rates and related interest rates may at any time have significantly different views from those of our affilia
you are encouraged to derive information concerning the CMS Rates and related interest rates from multiple sour
rely on the views expressed by our affiliates. Neither the offering of the Notes nor any views which our affiliates
express in the ordinary course of their businesses constitutes a recommendation as to the merits of an investment in

Secondary Market Prices for the Notes, if any, Will Be Affected By Various Unpredictable Factors, and Principal Amount of the Notes

It is important to note that there are many factors outside of our control that may affect the secondary mark
number of these factors are interrelated in complex ways. As a result, the effect of any one factor may be offset or m
another factor. Such factors include, but are not limited to, those described below. The following paragraphs desc
on the market value of the Notes from a change in a specific factor, assuming all other conditions remain constant:

- **The difference between CMS10 and CMS2.** We expect that the market value of the Notes will dep amount by which CMS10 exceeds CMS2, and expectations of the amount by which CMS10 will exceed all. In general, the value of the Notes will increase when the difference between CMS10 and CMS2 inc the Notes will decrease when the

difference between CMS10 and CMS2 decreases. The levels of CMS10 and CMS2 may change at rat
one another. If you sell your Notes when the annual interest payable on the Notes is less than, or e
market interest rates (as compared to traditional interest-bearing debt securities), you may receiv
amount that would be payable at maturity. Although long-term interest rates directionally follow s
movements in long-term interest rates generally tend to be smaller than movements in short-term inter
short-term interest rates rise, the difference between CMS10 and CMS2 tends to narrow (the curve
conversely, when short-term interest rates fall, the spread widens (the curve of the spread becomes
after November 16, 2011, the annualized rate of interest payable on the Notes and the market value o
likely to decrease in an increasing interest rate environment than in a declining interest rate environm
the interest rate payable on the Notes is capped at the Maximum Interest Rate of 10.00% per annum, w
Notes will trade in any secondary market at a price that is greater than a price that reflects the cap.

- **Changes in the levels of interest rates may affect the market value of the Notes.** The level of int
States may affect the U.S. economy and, in turn, the magnitude of the difference between CMS10
prevailing interest rates may decrease the difference between CMS10 and CMS2 relative to previo
decrease the interest rate on the Notes after November 16, 2011. This, in turn, may decrease the ma
Further, the Notes are subject to early redemption at our option commencing on November 16, 2011
Rate of 10.00% per annum after November 16, 2011, each of which will limit the potential upside to yo
CMS2. As a result, we anticipate that the potential for the Notes to trade above their par value in the se
extremely limited—likely only during the first year of the term of the Notes, and in a declining interest rat

- **Volatility of the difference between CMS10 and CMS2.** Volatility is the term used to describe th
market fluctuations. During recent periods, the difference between CMS10 and CMS2 has had peri
volatility may vary during the term of the Notes. In addition, an unsettled international environment and
result in greater market volatility, which may continue over the term of the Notes. Increases or decrea
difference between CMS10 and CMS2 may have an adverse impact on the market value of the Notes.

- **Economic and other conditions generally.** Interest payable on the Notes after November 16,
correlated to the difference between long-term interest rates (as represented by CMS10) and shor
represented by CMS2). Prevailing interest rates may be influenced by a number of factors, incl
conditions in the United States, U.S. monetary and fiscal policies, inflation, and other financial, politica
events. These factors are interrelated in complex ways, and may disproportionately affect short-term
long-term interest rates, thereby potentially lowering the difference between CMS10 and CMS2, and
affecting the market value of your Notes.

- **Time to maturity.** We anticipate that the Notes may have a market value that may be different fro expected based on the levels of interest rates and the difference between CMS10 and CMS2. This diff premium due to expectations concerning the difference between CMS10 and CMS2 during the period b In general, as the time remaining to maturity decreases, the value of Notes will approach a value tha interest payments on the Notes based on the then-current difference between CMS10 and CMS2.

Some or all of these factors will influence the price that you will receive if you sell your Notes in the seconda maturity. **Thus, if you sell your Notes before maturity you may not receive back your entire principal amount**

The Inclusion of Commissions and Cost of Hedging in the Issue Price is Likely to Adversely Affect Seconda

The issue price of the Notes includes commissions paid with respect to the Notes, as well as the costs ass obligations under the Notes. As a result, the market value of the Notes on the pricing date, as determined by ref used by the selling agents, may be significantly less than the issue price. Assuming no change in market conditio factors after the pricing date, the price, if any, at which the selling agents, any of our affiliates or another purc purchase Notes in secondary market transactions will likely be lower than the issue price of the Notes, since the i secondary market prices are likely to exclude, commissions paid with respect to the Notes, as well as the costs ass obligations under the Notes. In addition, any such secondary prices may differ from values determined by referenc by the selling agents. Further, if you sell your Notes before maturity, you will likely be charged a commissio transactions, or customary bid and asked spreads. If you sell your Notes before the Maturity Date, the price that than the original issue price of the Notes or the price that you paid for them.

Changes in Our Credit Ratings Are Expected to Affect the Value of the Notes.

Our credit ratings are an assessment of our ability to pay our obligations. Consequently, real or anticipat ratings may affect the market value of the Notes. However, because your return on the Notes depends upon factor to pay our obligations, an improvement in our credit ratings will not reduce the other investment risks related to the not reflect interest rate risk, which we discuss above. Credit ratings also do not address the price, if any, at which prior to maturity (which may be substantially less than the issue price of the Notes), and they are not recommenda the Notes. Further, any credit ratings that are assigned to the Notes may not reflect the potential impact of all risks

Our Trading and Hedging Activities May Create Potential Conflicts of Interest

We expect to enter into transactions to hedge our obligations under the Notes, including trading in interest executing other derivative instruments, or purchasing securities linked to the CMS Rates or other interest rates. W terms in entering into the hedging arrangements for the Notes, but are not required to do so, and we may arrangements with one of our subsidiaries or affiliates. Such hedging activity is expected to result in a profit to those activity, which could be more or less than initially expected, but which could also result in a loss for the hedging co and hedging activities may present a conflict of interest between your interest in the Notes and the interests we an in our proprietary accounts, in facilitating transactions for our other customers, and in accounts under our ma affiliates, we may modify our hedge position during the life of the Notes by purchasing and selling interest rate swa in other securities or instruments that we may wish to use in connection with such hedging. It is possible that w affiliates could receive substantial returns from these hedging activities while the value of the Notes may decline.

Holdings of the Notes by Our Affiliates and Future Sales May Create Potential Conflicts of Interest

Certain of our affiliates may purchase for investment the portion of the Notes that has not been purc
particular offering of Notes, which initially they intend to hold for investment purposes. As a result, upon completio
affiliates may own up to 15% of the aggregate principal amount of the Notes. Circumstances may occur in which
our affiliates could be in conflict with your interests. For example, our affiliates may attempt to sell the Notes that t
investment purposes at the same time that you attempt to sell your Notes, which could depress the price, if any, a
Notes. Moreover, the liquidity of the market for the Notes, if any, could be substantially reduced as a result of
Notes. In addition, our affiliates could have substantial influence over any matter subject to consent of the security h

Potential Conflicts of Interest Between Holders of the Notes and the Calculation Agent

Our affiliate, RBSSI, will be the calculation agent for the Notes and, in such capacity, will determine the amo on the Notes. Under some circumstances, these duties could result in a conflict of interest between RBSSI's status responsibilities as calculation agent. These conflicts could occur, for instance, in connection with judgments tha make if one or both of CMS10 and CMS2 are unavailable. See the section entitled "Information Regarding the CMS CMS10 or CMS2." The calculation agent will be required to carry out its duties in good faith and using its reasona because we are affiliated with the calculation agent, potential conflicts of interest could arise.

No Security Interest in Securities or Other Financial Instruments Held by Us

The indenture governing the Notes does not contain any restrictions on our ability or the ability of any of ou or otherwise convey all or any portion of the securities or other instruments acquired by us or our affiliates. Neither of our affiliates will pledge or otherwise hold those securities or other instruments for the benefit of holders of the the event of a bankruptcy, insolvency or liquidation involving us or Holdings, as the case may be, any of those secu we or Holdings own will be subject to the claims of our creditors or Holdings' creditors generally and will not be ava benefit of the holders of the Notes.

Certain Aspects of the U.S. Federal Income Tax Consequences of the Notes are Uncertain, and May be Adv Notes.

No statutory, judicial, or administrative authority directly addresses the characterization of the Notes or secu for U.S. federal income tax purposes. As a result, certain aspects of the U.S. federal income tax consequences Notes are not certain. We intend to treat the Notes as "contingent payment debt instruments" for U.S. federal i described under the section entitled "United States Federal Income Taxation." If the Internal Revenue Service (the " asserting an alternative characterization for the Notes, the timing and character of income or loss with respect to t ruling will be requested from the IRS with respect to the Notes and no assurance can be given that the IRS will a made herein. Please read carefully the section below entitled "United States Federal Income Taxation."

We do not provide any advice on tax matters. Both U.S. and non-U.S. holders should consult their all aspects of the U.S. federal tax consequences of investing in the Notes, as well as any tax consequences of any state, local or non-U.S. taxing jurisdiction.

INFORMATION REGARDING THE CMS RATES

General

For purposes of the Notes, CMS10 and CMS2 are "constant maturity swap rates" that measure the fixed ra a hypothetical fixed-for-floating U.S. dollar interest rate swap transaction with a maturity of ten years and two years hypothetical swap transaction, the fixed rate of interest, payable semi-annually on the basis of a 360-day year co months, is exchangeable for a floating 3-month LIBOR-based payment stream that is payable quarterly on the basis days elapsed during a quarterly period in a 360-day year. "LIBOR" is the London Interbank Offered Rate, and is the banks borrow funds from each other in the London interbank market. 3-Month LIBOR is the rate of interest which each other for loans for a period of three months.

"CMS10" means the 10-Year U.S. Dollar Constant Maturity Swap Rate that appears on Reuters page ISDA "10YR" at 11:00 a.m., New York City time, on the Interest Determination Date.

"CMS2" means the 2-Year U.S. Dollar Constant Maturity Swap Rate that appears on Reuters page ISDA "2YR" at 11:00 a.m., New York City time, on the Interest Determination Date.

Unavailability of CMS10 or CMS2

If either CMS10 or CMS2 (collectively, "CMS Rates") does not appear on Reuters page ISDA FIX1 on th Date, the calculation agent will determine CMS 10 or CMS2, as applicable, as if USD-CMS-Reference Banks was th

"USD-CMS-Reference Banks" refers to a rate determined by the calculation agent on the basis of mid-m rate quotations provided by the Reference Banks at approximately 11:00 a.m., New York City time on the relevan Date. For this purpose, the mid-market semi-annual swap rate means the mean of the bid and offered rates for th calculated on a 30/360 day count basis, of a fixed-for-floating U.S. Dollar interest rate swap transaction with a Designated Maturity commencing on the date of determination and in a Representative Amount with an acknowledg in the swap market, where the floating leg, calculated on an actual/360 day count basis, is equivalent to USD-LIBO three months.

The calculation agent will request the principal New York City office of each of the three banks chosen by it its rate. If at least three quotations are provided, the rate for the relevant interest determination date will be the quotations. If two quotations are provided, the rate for the relevant interest determination date will be the arith quotations. If only one quotation is provided, the rate for the relevant interest determination date will equal th quotations are available, then CMS10 and/or CMS2 will be the rates the calculation agent, in its sole discretion, d reasonable under the circumstances at approximately 11:00 a.m., New York City time, on the relevant Interest D

"Reference Banks" refers to three leading swap dealers in the New York City interbank market selected by the purpose of providing quotations as set forth above.

"Designated Maturity" refers to 10 years with respect to calculations related to CMS10, or 2 years with respe to CMS2.

"Representative Amount" refers to an amount that is representative for a single transaction in the relevar time, as determined by the calculation agent.

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Historical Information

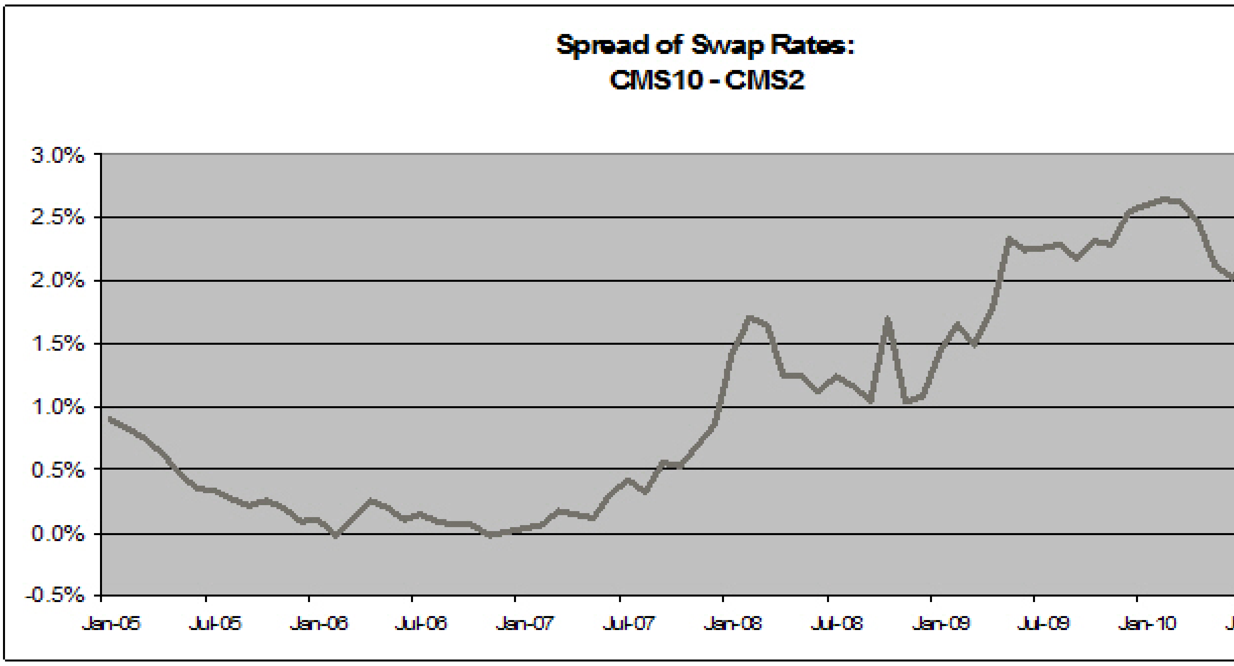
The following table and graph shows for illustrative purposes the historical month-end spread between C
January 2005 to November 10, 2010, based on information reported on Bloomberg Financial Markets. The sprea
CMS2 for the Notes on the relevant Interest Determination Dates will be determined based on the U.S. Dollar Const
as reported on the applicable Reuters page ISDA FIX 1 on the Interest Determination Date.

The historical performance of CMS10 and CMS2 should not be taken as an indication of the future performa
the term of the Notes. Fluctuations in the level of CMS10 and CMS2 make the Notes' effective interest rate difficult
in an effective interest rate to investors that is lower than anticipated. Fluctuations in interest rates and intere
occurred in the past are not necessarily indicative of fluctuations that may occur in the future, which may be wide
that have occurred historically.

**You cannot predict the future performance of the Notes or of CMS10 or CMS2 based on the histo
Rates.** Neither we nor Holdings can guarantee that the spread between CMS10 and CMS2 will increase so that y
interest rate for any Interest Payment Period over the term of the Notes.

	2005	2006	2007	2008	2009
January	0.8955%	0.1025%	0.0378%	1.4165%	1.4370%
February	0.8285%	-0.0130%	0.0695%	1.7110%	1.6600%
March	0.7550%	0.1130%	0.1740%	1.6535%	1.4835%
April	0.6300%	0.2610%	0.1515%	1.2460%	1.7710%
May	0.4740%	0.1965%	0.1155%	1.2475%	2.3310%
June	0.3535%	0.1050%	0.3070%	1.1235%	2.2490%
July	0.3360%	0.1410%	0.4145%	1.2425%	2.2595%
August	0.2660%	0.0870%	0.3250%	1.1605%	2.2885%
September	0.2165%	0.0570%	0.5540%	1.0450%	2.1760%
October	0.2600%	0.0567%	0.5280%	1.7025%	2.3173%
November	0.2015%	-0.0153%	0.6970%	1.0350%	2.2875%
December	0.0920%	0.0050%	0.8600%	1.0785%	2.5530%

*Through November 10, 2010



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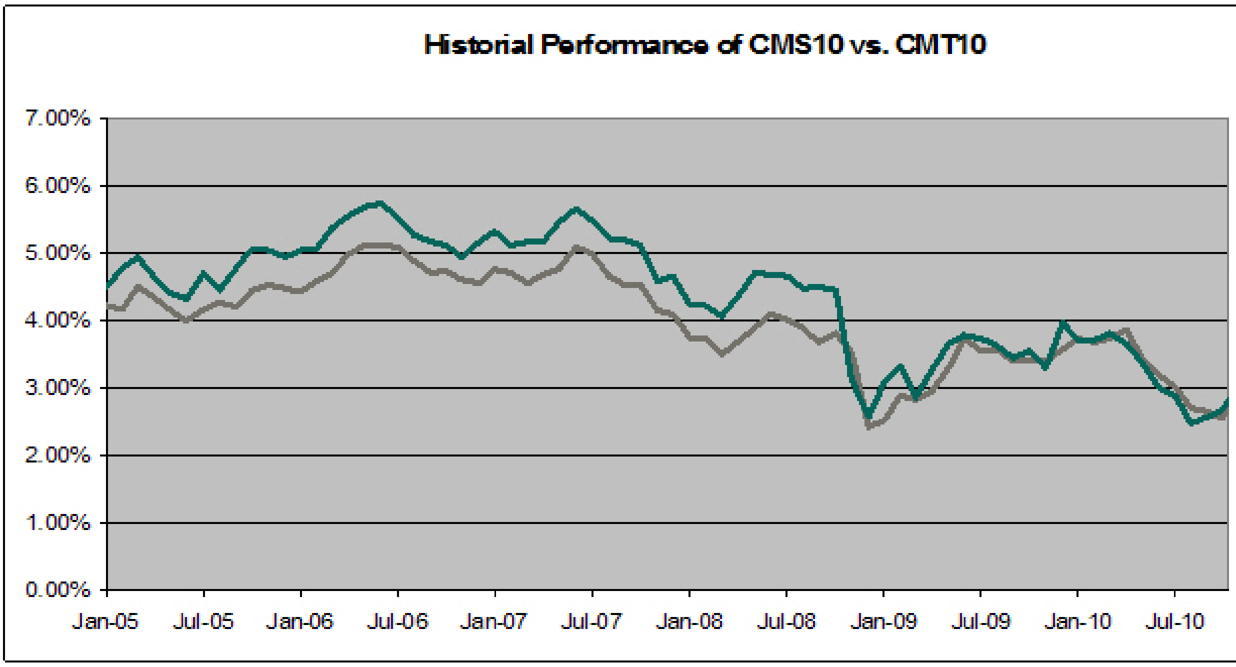
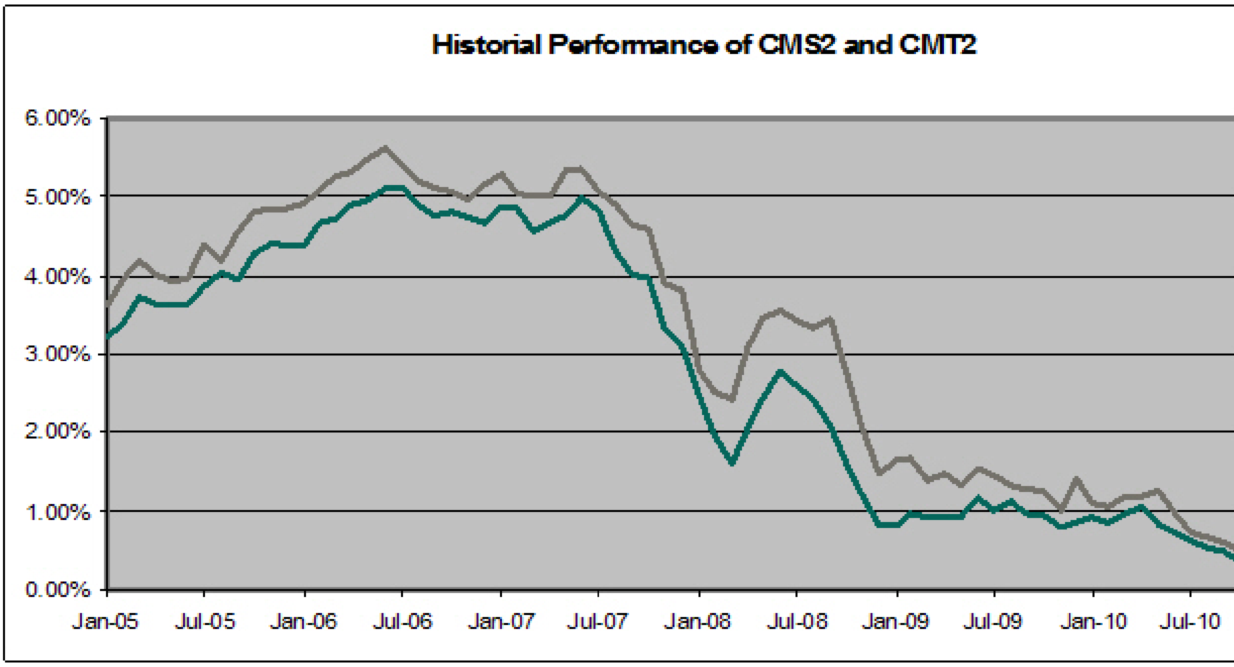
Movements in CMS10 and CMS2 have historically been correlated to some extent, although not exactly, t year Constant Maturity Treasury Rate and the 2-year Constant Maturity Treasury Rate, respectively. The first g month-end CMS10 relative to the month-end 10-year Constant Maturity Treasury Rate during the period from November 10, 2010. The second graph reflects the daily CMS2 relative to the daily 2-year Constant Maturity Treasu period.




Historial Performance of CMS2 and CMT2
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
Jan-05
Jul-05
Jan-06
Jul-06
Jan-07
Jul-07
Jan-08
Jul-08
Jan-09
Jul-09
Jan-10
Jul-10

Disclaimer by Us, Holdings and the Calculation Agent

All information in this Pricing Supplement relating to CMS10 and CMS2 are derived from Bloomberg Fina public sources. Neither we nor Holdings nor the calculation agent has independently verified any such information. nor the calculation agent shall have any responsibility for any error or omissions in the calculation and publication of

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HYPOTHETICAL INTEREST RATE AND INTEREST PAYMENT CALCULATIONS

As described above, for any Interest Payment Date commencing on and after February 16, 2012 (prior to w at the Initial Interest Rate), the Notes will pay interest on each Interest Payment Date at a per annum interest rate d with the Interest Rate Formula. The following illustrates the process by which the calculation agent will determi interest payment amount for all Interest Payment Dates commencing on and after February 16, 2012. For purpose assume that the Notes are not being redeemed on the applicable Interest Payment Date. If we elect to redeem the you will receive on the Early Redemption Date a cash payment equal to $1,000 per Note, plus accrued and unpaid i the Early Redemption Date.

These examples are for illustration only. The actual interest payable on the Notes will depend on the actu CMS2 on the applicable Interest Determination Dates during the term of the Notes.

Example 1:

If on the Interest Determination Date for the relevant Interest Payment Period, the hypothetical CMS10 is subst hypothetical CMS2:

Hypothetical CMS10:	7.250%
Hypothetical CMS2:	2.000%

Interest will accrue commencing on the first day of that Interest Payment Period, to be paid on the immediately fol Date, at a rate calculated as follows:

4 x (7.250% – 2.000% – 0.25%) = 20.00%

Interest rate for that quarterly Interest Payment Period	= 10.000% per annum (Maximum Interest Rate) x (90/360 = 2.500%
Interest payment on the Interest Payment Date	= $1,000 x 2.500% = $25.00 per Note

Example 2:

If on the Interest Determination Date for the relevant Interest Payment Period, the hypothetical CMS10 is great
CMS2, and the difference between CMS10 and CMS2 is greater than 0.25%:

Hypothetical CMS10:	3.250%
Hypothetical CMS2:	2.350%

Interest will accrue commencing on the first day of that Interest Payment Period, to be paid on the immediately fol
Date, at a rate calculated as follows:

4 x (3.250% – 2.350% – 0.25%) = 2.60%

Interest rate for that quarterly Interest Payment Period	= 2.60% per annum x (90/360) = 0.65%
Interest payment on the Interest Payment Date	= $1,000 x 0.65% = $6.50 per Note

Example 3:

If on the Interest Determination Date for the relevant Interest Payment Period, the hypothetical CMS10 is great
CMS2, but the difference between CMS10 and CMS2 is less than 0.25%:

Hypothetical CMS10: 3.000%
Hypothetical CMS2: 2.950%

Interest will accrue commencing on the first day of that Interest Payment Period, to be paid on the immediately fol
Date, at a rate calculated as follows:

4 x (3.000% – 2.950% – 0.25%) = -0.80%

Interest rate for that quarterly Interest Payment Period	= 0.000% (Minimum Interest Rate)
Interest payment on the Interest Payment Date	= $0.00 per Note

Example 4:

If on the Interest Determination Date for the relevant Interest Payment Period, the hypothetical CMS10 is less than t

Hypothetical CMS10: 3.750%
Hypothetical CMS2: 4.000%

Interest will accrue commencing on the first day of that Interest Payment Period, to be paid on the immediately fol
Date, at a rate calculated as follows:

4 x (3.750% – 4.000% – 0.25%) = -2.00%

Interest rate for that quarterly Interest Payment Period	= 0.000% (Minimum Interest Rate)
Interest payment on the Interest Payment Date	= $0.00 per Note

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DESCRIPTION OF THE NOTES

Capitalized terms not defined herein have the meanings given to such terms in the accompanying Prospectu

Principal Amount:	$15,000,000
Settlement Date	November 16, 2010
Issue Price	100% ($1,000 principal amount per Note)
Maturity Date	November 16, 2030; provided that if such day is not a Business Day ther next following Business Day.
Business Day	Any day, other than a Saturday or Sunday, that is neither a legal holiday banking institutions are authorized or required by law or regulation to clos York.
Payment at Maturity	Unless earlier redeemed, 100% of the principal amount, plus any accrue to, but excluding, the Maturity Date.
Specified Currency	U.S. Dollars
Denominations	The Notes may be purchased in denominations of $1,000, which we ref amount, and integral multiples thereof.
Form of Notes	The Notes will be represented by a single registered global security, Depository Trust Company ("DTC").
Guarantee	The payment and delivery obligations of The Royal Bank of Scotland N when and as they shall become due and payable, whether at maturity, or redemption, are fully and unconditionally guaranteed by RBS Holdings N.Y
Interest Determination Date	The second Business Day preceding the first day of an Interest Payment P
Interest Rate	The calculation agent will determine the interest rate per annum applic

	Payment Period on the immediately preceding Interest Determination Interest Rate Formula.
Interest Rate Formula	On each Interest Payment Date on or prior to November 16, 2011, the I 10.00%. On each Interest Payment Date on or after February 16, 2012, the Notes a rate per annum equal to: 4 x (CMS10 – CMS2 – 0.25%) However, in no event will the interest rate be less than the Minimum Inter greater than the Maximum Interest Rate of 10.00%. Interest will be compu 360-day year consisting of twelve 30- day months.
Reference Rate	(CMS10 – CMS2 – 0.25%)
Interest Payment Dates	The 16th day of each February, May, August and November commenc 2011, *provided* that if any such day is not

	a Business Day, then the Interest Payment Date will be the following Busi additional interest will accrue in respect of the delay in the interest paymen Payment Date will be the Maturity Date or the Early Redemption Date, as
Interest Payment Periods	The first Interest Payment Period will commence on, and will include, th the Notes and will end on, but will exclude, the first Interest Payment Da Interest Payment Period will commence on, and will include, an Interest P end on, but will exclude, the succeeding Interest Payment Date or th applicable.
CMS10	The 10-Year U.S. Dollar Constant Maturity Swap Rate that appears on FIX1 under the heading "10YR" at 11:00 a.m., New York City tim Determination Date. If such rate does not appear on Reuters page ISDA the rate for such date shall be determined as if USD-CMS-Referen applicable rate.
CMS2	2-Year U.S. Dollar Constant Maturity Swap Rate that appears on Reut under the heading "2YR" at 11:00 a.m., New York City time, on the In Date. If such rate does not appear on Reuters page ISDA FIX1 on such d date shall be determined as if USD-CMS-Reference Banks were the appli
USD-CMS-Reference Banks	A rate determined by the calculation agent on the basis of mid-market se quotations provided by the Reference Banks at approximately 11:00 a.m on the relevant Interest Determination Date. For this purpose, the mid swap rate means the mean of the bid and offered rates for the se calculated on a 30/360 day count basis, of a fixed-for-floating U.S. Doll transaction with a term equivalent to the Designated Maturity commen determination and in a Representative Amount with an acknowledged de the swap market, where the floating leg, calculated on an actual/360 equivalent to USD-LIBOR-BBA with a maturity of three months. The c request the principal New York City office of each of the three banks cho quotation of its rate. If at least three quotations are provided, the rate for determination date will be the arithmetic mean of the quotations. If two quo the rate for the relevant interest determination date will be the arithme

	quotations. If only one quotation is provided, the rate for the relevant i date will equal that one quotation. If no quotations are available, then CMS be the rates the calculation agent, in its sole discretion, determines to be under the circumstances at approximately 11:00 a.m., New York City t Interest Determination Date.
Reference Banks	Three leading swap dealers in the New York City interbank market selec agent for the purpose of providing quotations as set forth above.
Designated Maturity	10 years with respect to calculations related to CMS10, or 2 years with re related to CMS2.

Representative Amount	As determined by the calculation agent, an amount that is represe transaction in the relevant market at the relevant time.
Optional Early Redemption	The Notes may be redeemed at our option commencing on November equal to 100% of the principal amount being redeemed on any Interest Pa with accrued plus unpaid interest to but excluding the date of re redemption will be given to the holders not less than ten (10) Busine redemption date.
Early Redemption Date	The Interest Payment Date on which the Notes are redeemed by us at our
Trustee	Wilmington Trust Company
Calculation Agent	RBSSI, which is our affiliate. All determinations made by the calculation sole discretion of the calculation agent and will, in the absence of manifes for all purposes and binding on you and on us.
Additional Amounts	Subject to certain exceptions and limitations described in "Description o Payment of Additional Amounts" in the accompanying Prospectus, we wi amounts to holders of the Notes as may be necessary in order that the principal of the Notes and any other amounts payable on the Notes, after account of any present or future tax, assessment or governmental charge a result of such payment by The Netherlands (or any political subdivisio thereof or therein) or the jurisdiction of residence or incorporation of any s (other than the United States), will not be less than the amount provided then due and payable.
Book Entry	The indenture for the Notes permits us at anytime and in our sole discre have any of the Notes represented by one or more registered global advised us that, under its current practices, it would notify its participant will only withdraw beneficial interests from the global security at the r participant.

UNITED STATES FEDERAL INCOME TAXATION

***Notice Under U.S. Treasury Department Circular 230*:** The tax discussions contained in this discussion
referenced herein were not intended or written to be used, and cannot be used, for the purpose of avoiding U
penalties. These discussions were written to support the promotion or marketing of the transactions or matters a
Supplement.

The following discussion is a general summary of the material U.S. federal income tax considerations applic
defined below) of the purchase, ownership and disposition of the Notes. Notes and payments thereon generally ar
income taxation.

A prospective holder should seek advice based on the holder's particular circumstances from an indepe
following discussion is general and may not apply to a specific holder's particular circumstances for any of the follow

- This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "Code"
promulgated or proposed thereunder (the "Treasury Regulations"), and rulings and decisions as in eff
Pricing Supplement. Changes to any of these after this date may affect the tax consequences de
retroactively.

- This summary discusses only Notes acquired by beneficial owners at original issuance and held as c
meaning of federal tax law). It does not discuss all of the tax consequences that may be relevant to ben
special rules, such as banks, thrift institutions, real estate investment trusts, regulated investment
organizations, brokers and dealers in securities or currencies, certain securities traders and certain ot
This discussion also does not discuss tax consequences that may be relevant to a beneficial owner
owner's particular circumstances, such as a beneficial owner holding a Note as a position in a straddle
other integrated investment or a beneficial owner whose functional currency is not the U.S. dollar.

- The Notes also may be subject to the U.S. federal estate tax, taxes imposed by states and possessions
by local taxing authorities, and may be subject to tax in other jurisdictions. Prospective holders shou
advisors as to the tax consequences of acquiring, owning and disposing of Notes.

No ruling has or will be sought from the U.S. Internal Revenue Service (the "IRS") regarding the matters a
conclusions expressed herein are not binding on the IRS or any court, which might not agree with the tax trea
discussion.

Because the following discussion may not apply to all prospective holders, each prospective holder shou advisors regarding the tax consequences of purchasing, owning and disposing of Notes.

For purposes of the following discussion, a “U.S. holder” means: (i) a citizen or individual resident of corporation created or organized in or under the laws of the United States or any state thereof or the District of Col income of which is includible in its gross income for U.S. federal income tax purposes without regard to its source, (i the United States is able to exercise primary supervision over its administration and at least one U.S. Person has t substantial decisions of the trust, or (v) certain trusts in existence on August 20, 1996, and treated as United St meaning of section 7701(a)(30) of the Code) prior to such date, that elect to continue to be treated as United States the Treasury Regulations.

If a partnership holds the Notes, the U.S. federal income tax treatment of a partner will generally depend on and the tax treatment of the partnership. The discussion below does not discuss the acquisition, ownership or di partnership. A partner in a partnership holding the Notes should consult its tax advisor regarding the conseque income tax treatment of an investment in the Notes.

For purposes of the following discussion, any interest with respect to the Notes, as determined for U.S. fede
will be treated as from sources outside the United States.

Payments of Interest

We intend to treat the Notes as "contingent payment debt instruments" ("CPDIs") for U.S. federal income t
treatment, a U.S. holder must accrue original issue discount ("OID") or interest income based on a "comparable
payment schedule," both as described below, and make appropriate adjustments for actual interest payments on the

The comparable yield is determined by us at the time of issuance of the Notes and takes into account the
issue a fixed rate debt instrument with no contingent payments, but with terms and conditions otherwise similar to
comparable yield may be greater than or less than the stated interest with respect to the Notes. A "projected payme
a series of projected payments the amount and timing of which would produce a yield to maturity on the instrument
yield used.

For U.S. federal income tax purposes, a U.S. holder, regardless of the holder's method of accounting, wi
comparable yield and projected payment schedule established by us in determining interest accruals and adjustme
unless the holder timely discloses and justifies the use of a different comparable yield and projected payment sched

A U.S. holder will be required to recognize interest income equal to the amount of any net positive adjustme
actual payments over projected payments, in respect of a Note for a taxable year. A net negative adjustment, *i.e.,*
payments over actual payments, in respect of a Note for a taxable year (i) will first reduce the amount of interest in r
U.S. holder otherwise would be required to include in income in the taxable year, and (ii) any excess will give rise t
extent that the amount of all previous interest inclusions under the Note exceeds the total amount of the U.S
adjustments treated as ordinary loss on the Note in prior taxable years.

A net negative adjustment is not subject to the 2% floor limitation imposed on miscellaneous deduc
adjustment in excess of the amounts described above will be carried forward to offset future interest income in r
reduce the amount realized on a sale, exchange or retirement of the Note.

If a contingent payment becomes fixed (within the meaning of applicable Treasury regulations) more than s
date, a positive or negative adjustment, as appropriate, is made to reflect the difference between the present val
fixed and the present value of the projected amount. The present value of each amount is determined by discount
date the payment is due to the date the payment becomes fixed, using a discount rate equal to the comparabl
payments on the Note become fixed, substantially contemporaneously, applicable Treasury regulations provi

contingent payments that become fixed on a day that is more than six months before their due date, U.S. account positive or negative adjustments in respect of such contingent payments over the period to which they manner. U.S. holders should consult their tax advisors as to what would be a "reasonable manner" in their particular

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The following table assumes an expected issue date of November 16, 2010 and maturity date of Novembe and is based upon a projected payment schedule and a comparable yield equal to 5.52% per annum (compoundec established for the Notes, and shows the amounts of ordinary income from a Note that an initial U.S. holder that holc and pays taxes on a calendar year basis should be required to report each calendar year.

Accrual Period	Interest Deemed to Accrue During Accrual Period (per $1,000 principal amount per unit of the Notes)	Total Interest Dee from Original Iss principal amount
November 16, 2010 through December 31, 2010	$6.75	$6
January 1, 2011 through December 31, 2011	$54.27	$6
January 1, 2012 through December 31, 2012	$52.73	$11
January 1, 2013 through December 31, 2013	$52.81	$16
January 1, 2014 through December 31, 2014	$52.89	$21
January 1, 2015 through December 31, 2015	$52.97	$27
January 1, 2016 through December 31, 2016	$53.06	$32
January 1, 2017 through December 31, 2017	$53.16	$37
January 1, 2018 through December 31, 2018	$53.26	$43
January 1, 2019 through December 31, 2019	$53.37	$48
January 1, 2020 through December 31, 2020	$53.48	$53
January 1, 2021 through December 31, 2021	$53.60	$59
January 1, 2022 through December 31, 2022	$53.74	$64
January 1, 2023 through December 31, 2023	$53.87	$69
January 1, 2024 through December 31, 2024	$54.02	$75
January 1, 2025 through December 31, 2025	$54.16	$80
January 1, 2026 through December 31, 2026	$54.32	$86
January 1, 2027 through December 31, 2027	$54.49	$91

January 1, 2028 through December 31, 2028	$54.67	$97
January 1, 2029 through December 31, 2029	$54.85	$1,0
January 1, 2030 through November 16, 2030	$48.59	$1,0

In addition, we have determined the projected payment schedule for the Notes as follows:

Taxable Year	Payment on February 16	Payment on May 16	Payment on August 16	Pa
2011	$25.00	$25.00	$25.00	
2012	$12.83	$12.83	$12.83	
2013	$12.83	$12.83	$12.83	
2014	$12.83	$12.83	$12.83	
2015	$12.83	$12.83	$12.83	
2016	$12.83	$12.83	$12.83	
2017	$12.83	$12.83	$12.83	
2018	$12.83	$12.83	$12.83	
2019	$12.83	$12.83	$12.83	
2020	$12.83	$12.83	$12.83	
2021	$12.83	$12.83	$12.83	
2022	$12.83	$12.83	$12.83	
2023	$12.83	$12.83	$12.83	
2024	$12.83	$12.83	$12.83	
2025	$12.83	$12.83	$12.83	
2026	$12.83	$12.83	$12.83	
2027	$12.83	$12.83	$12.83	
2028	$12.83	$12.83	$12.83	
2029	$12.83	$12.83	$12.83	
2030	$12.83	$12.83	$12.83	

You should be aware that these amounts are not calculated or provided for any purposes other than the holder's interest accruals and adjustments with respect to the Notes for U.S. federal income tax purposes. By provi the projected payment schedule, we make no representations regarding the actual amounts of interest payments or four quarterly interest periods.

Disposition or Retirement of Notes

When a U.S. holder sells, exchanges or otherwise disposes of a Note, or when we retire a Note (including holder will recognize gain or loss equal to the difference, if any, between the amount the holder realizes upon the and the holder's tax basis in the Note. A U.S. holder's tax basis for determining gain or loss on the disposition generally is the holder's U.S. dollar cost of such Note, increased by the amount of OID includible in the holder's gros such Note, and decreased by the amount of any projected payments previously made on the Note.

A U.S. holder generally will treat any gain as interest income and any loss as ordinary loss to the extent of the interest inclusions in excess of the total net negative adjustments previously taken into account as ordinary losses, as a capital loss. The deductibility of capital losses is subject to limitations.

Medicare Tax

With respect to taxable years beginning after December 31, 2012, certain U.S. holders, including individual
be subject to an additional 3.8% Medicare tax on unearned income. For individual U.S. holders, the additional Me
lesser of (i) "net investment income," or (ii) the excess of "modified adjusted gross income" over $200,000 ($250
jointly or $125,000 if married and filing separately). "Net investment income" generally equals the taxpayer's g
reduced by the deductions that are allocable to such income. Investment income generally includes passive in
dividends, annuities, royalties, rents, and capital gains. U.S. holders are urged to consult their own tax advisors rega
the additional Medicare tax resulting from an investment in the Notes.

Information Reporting and Backup Withholding

Interest and OID on the Notes, and the proceeds received from a sale or other disposition of the Notes ge
information reporting unless the holder is an "exempt recipient" and may also be subject to U.S. backup withholdin
the Code if the holder fails to provide certain identifying information (such as an accurate taxpayer identification n
U.S. holder) or meet certain other conditions. Amounts withheld under the backup withholding rules are not addi
refunded or credited against the holder's U.S. federal income tax liability, provided the required information is furnish

Individual holders that own "specified foreign financial assets" may be required to include certain informat
assets with their U.S. federal income tax return beginning in taxable years after 2010. Holders are urged to consu
regarding such requirements with respect to the Notes.

General Information

**The U.S. federal tax discussion set forth above is included for a prospective holder's general inform
apply to a particular prospective holder's situation. Each prospective holder should consult its own tax ad
the tax consequences of the purchase, ownership and disposition of the Notes, including the tax conse
laws of the United States, states, localities, countries other than the United States and any other taxing
possible effects of changes in such tax laws.**

USE OF PROCEEDS

The net proceeds we receive from the sale of the Notes will be used for general corporate purposes and, more of our affiliates in connection with hedging our obligations under the Notes. The issue price of the Notes inc commissions (as shown on the cover page hereof) paid with respect to the Notes and the cost of hedging our obliga

PLAN OF DISTRIBUTION (CONFLICTS OF INTEREST)

We have appointed our affiliate RBS Securities Inc. ("RBSSI") as agent for this offering. RBSSI has agreed to solicit offers to purchase the Notes. We will pay RBSSI a commission of 4.407% of the initial offering price of the purchase the Notes. RBSSI has informed us that, as part of its distribution of the Notes, it intends to sell the Note initial offering price less a selling concession. Each such dealer engaged by RBSSI, or further engaged by a deal the Notes, will purchase the Notes at an agreed selling concession. RBSSI has informed us that such selling con dealer to dealer and that not all dealers will purchase the Notes at the same selling concession. However, in concessions exceed the commission received by RBSSI from us.

RBSSI is an affiliate of ours and RBS Holdings N.V. RBSSI will conduct this offering in compliance with th Rule 2720 of the Financial Industry Regulatory Authority, Inc., which is commonly referred to as FINRA, regarding distributing the securities of an affiliate. Following the initial distribution of any of these Notes, RBSSI may offer an course of its business as broker-dealer. RBSSI may act as principal or agent in those transactions and will make ar related to prevailing market prices at the time of sale or otherwise. RBSSI may use the Pricing Supplement Prospectus and Prospectus Supplement in connection with any of those transactions. RBSSI is not obligated to r these Notes and may discontinue any market-making activities at any time without notice.

RBSSI or an affiliate of RBSSI may enter into one or more hedging transactions with us in connect Notes. See "Use of Proceeds" above.

To the extent that the total aggregate principal amount of the Notes being offered hereby is not purcha offering, one or more of our affiliates has agreed to purchase the unsold portion, and to hold such Notes for investm Factors—Holdings of the Notes by our Affiliates and Future Sales May Create Potential Conflicts of Interest."

OTHER PROVISIONS

We expect to deliver the Notes against payment therefor on a date that is greater than three business d date. Under Rule 15c6-1 of the Securities Exchange Act of 1934, trades in the secondary market generally are re business days, unless the parties to any such trade expressly agree otherwise. Accordingly, if the initial settlem

more than three business days from the pricing date, purchasers who wish to trade the Notes more than three b
original date of issuance of the Notes will be required to specify alternative settlement arrangements to prevent a fail

CERTAIN EMPLOYEE RETIREMENT INCOME SECURITY ACT CONSIDERATIONS

The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and Section 4975 of th requirements on (a) employee benefit plans subject to Title I of ERISA, (b) individual retirement accounts, arrangements subject to Section 4975 of the Code, (c) entities whose underlying assets include "plan assets" by re or arrangement's investment therein (we refer to the foregoing collectively as "Plans") and (d) persons who are fi Plans. In addition, certain governmental, church and non-U.S. plans ("Non-ERISA Arrangements") are not subject or Section 4975 of the Code, but may be subject to other laws that are substantially similar to those provisions (e fiduciary of a Plan should consider fiduciary standards under ERISA (or, in the case of a Non-ERISA Arrangement, Similar Law) in the context of the particular circumstances of that Plan or Non-ERISA Arrangement before authoriz Notes. A fiduciary also should consider whether the investment is authorized by, and in accordance with, the doc governing the Plan or Non-ERISA Arrangement. In addition, a fiduciary should consider whether the acquisition of non-exempt transactions prohibited by Section 406 of ERISA, Section 4975 of the Code, or any provision of Similar the Notes and each fiduciary who causes any entity to purchase or hold a Note shall be deemed to have represe each day such purchaser holds a Note, that either (i) it is neither a Plan nor a Non-ERISA Arrangement and it is n Notes on behalf of or with the assets of a Plan or a Non-ERISA Arrangement; or (ii) its purchase, holding and subse Notes shall not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA, Section 4 provision of Similar Law. Fiduciaries of any Plans and Non-ERISA Arrangements should consult their own legal co the Notes.

For additional ERISA considerations, see "Benefit Plan Investor Consideration" in the accompanying Prospectus