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ROYAL BANK OF SCOTLAND GROUP PLC
Form FWP
July 05, 2012

Filed pursuant to Rule 433 | Registration Statement Nos. 333-162219 and 333-162219-01

RBS Exchange Traded Notes

RBS China Trendpilot[] ETN (TCHI)

The RBS China Trendpilot[] Exchange Traded Notes ("RBS ETNs") are unsecured and senior obligations of The Royal Bank of Scotland plc ("RBS plc"), and are fully and unconditionally guaranteed by The Royal Bank of Scotland Group plc ("RBS Group"). Any payments on the RBS ETNs when they become due at maturity or upon early repurchase or redemption are dependent on the ability of RBS plc and RBS Group to pay, and are also subject to market risk.

RBS China Trendpilot[] ETNs track the RBS China Trendpilot[] Index (USD) which provides:

Trend-following exposure using an objective and transparent methodology to either the BNY Mellon China Select ADR Total Return Index(SM) or the Cash Rate; China Exposure in positive trending markets by tracking the BNY Mellon China Select ADR Total Return Index(SM), the level of which incorporates the reinvestment of any cash dividends paid on its component securities. The RBS ETNs do not pay interest or dividends; and Cash Rate Exposure in negative trending markets by tracking a notional investment in 3 month U.S. Treasury bills as of the most recent weekly auction.

Illustration of the Trendpilot([]) Index Methodology

Time

The above graph illustrates the operation of the Trendpilot[] Index Methodology. It does not reflect any actual performance of the Benchmark Index or the Index, and is not an indication of how either index may perform in the future. The hypothetical illustration above also does not include any fees, transaction costs or expenses.

If neither of the above conditions is satisfied, the trend of the Benchmark Index will be the same as the trend of the Benchmark Index on the immediately preceding Index business day. The Index will implement any trend reversal at the open of trading on the second Index business day immediately following the Index business day on which the Benchmark Index trend switches from positive to negative or from negative to positive, as the case may be.

(1) Benchmark Index Dividend Yield means the sum of the gross dividends paid on the securities comprising the Benchmark Index (which is a total return index) over the prior 12 months ending 6/29/2012 divided by the closing level of the price return version of the Benchmark Index as of 6/29/2012.

Not FDIC Insured. May Lose Value.

RBS ETN Details

| | |
|-----------|--------------------------------------|
| Issuer | The Royal Bank of Scotland plc |
| Guarantor | The Royal Bank of Scotland Group plc |
| Ticker | TCHI |
| Intraday | TCHI.IV |

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| Indicative Value Ticker | |
|---|---|
| CUSIP | 78009P150 |
| ISIN | US78009P1509 |
| Primary Exchange | NYSE Arca |
| Maturity | 4/18/2042 |
| Benchmark Index Dividend Yield(1) | 3.29% |
| Index | RBS China Trendpilot(TM) Index (USD) (Bloomberg symbol: "TPCHINUT Index", which tracks the Benchmark Index or the Cash Rate depending on the relative performance of the Benchmark Index on a simple historical moving average basis. |
| Benchmark Index | BNY Mellon China Select ADR Total Return Index(SM) (Bloomberg page: "BKTCNT Index") |
| Cash Rate | Yield on a hypothetical notional investment in 3-month U.S. Treasury bills as of the most recent weekly auction |
| Annual Investor Fee (accrued on a daily basis) | When the Index is tracking the Benchmark Index: 1.10% per annum. When the Index is tracking the Cash Rate: 0.50% per annum. |
| Repurchase at your option | You may offer your RBS ETNs to RBS plc for repurchase on any business day on or prior to 4/10/2042, provided that you offer a minimum of 20,000 RBS ETNs for any single repurchase and follow the procedures described in the pricing supplement. |
| Early redemption at our option | We may redeem all of the RBS ETNs at our discretion at any time on or prior to 4/16/2042. |
| Daily Redemption Value | Upon early repurchase or redemption or at maturity, you will receive a cash payment equal to the daily redemption value per RBS ETN. The daily redemption value on the relevant valuation date will be published |

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on www.rbs.com/etnUS/TCHI*.

* Information contained on our website is not incorporated by reference in, and should not be considered a part of, this document.

To find out more

Call toll free 855-RBS-ETPS or visit www.rbs.com/etnUS

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Top 10 Holdings(2) -- as of 06/30/12

| COMPANY | (%) |
|--|-------|
| China Mobile Ltd. (ADS) | 11.31 |
| CNOOC Ltd. (ADS) | 8.44 |
| PetroChina Co. Ltd. (ADS) | 7.74 |
| China Life Insurance Co. Ltd. (ADS) | 7.02 |
| China Petroleum and Chemical Corp. (ADS) | 5.80 |
| Baidu Inc. (ADS) | 5.61 |
| China Telecom Corp. Ltd. (ADS) | 3.93 |
| China Unicom (Hong Kong) Ltd. (ADS) | 3.78 |
| NetEase Inc. (ADS) | 3.25 |
| New Oriental Education and Technology Group Inc. (ADS) | 2.86 |

Sector Weightings(3) -- as of 06/30/12

| SECTOR | (%) |
|----------------------------|-------|
| Energy | 24.75 |
| Information Technology | 22.54 |
| Telecommunication Services | 19.03 |
| Consumer Discretionary | 10.96 |
| Financials | 8.03 |
| Industrials | 4.48 |
| Health Care | 4.23 |
| Materials | 3.45 |
| Utilities | 2.54 |

(2) Source: BNY Mellon([R])

(3) Based on standard industry classi[cations

The Benchmark Index includes depositary receipts, which are quoted and traded in U.S. dollars on The New York Stock Exchange (NYSE), The NYSE Amex and The NASDAQ Stock Market (NASDAQ). Each depositary receipt generally represents an ownership interest in shares (or fractions of a share) of an underlying stock that may be quoted and traded in its local jurisdiction in a foreign currency. Depositary receipts are included in the Benchmark Index based, among other things, on their market capitalization and liquidity.

CERTAIN RISK CONSIDERATIONS: The RBS ETNs involve risks not associated with an investment in conventional debt securities, including a possible loss of some or all of your investment. The level of the Index must increase by an amount sufficient to offset the aggregate investor fee applicable to the RBS ETNs in order for you to receive at least the principal amount of your investment back at maturity or upon early repurchase or redemption. The Index may underperform the Benchmark Index, and is expected to perform poorly in volatile markets. The RBS ETNs involve risks associated with an investment in emerging markets, as well as currency exchange risk. Liquidity of the market for RBS ETNs may vary over time. The RBS ETNs are not principal protected and do not pay interest. Any payment on the RBS ETNs is subject to the ability of RBS plc, as the issuer, and RBS Group, as the guarantor, to pay their respective obligations when they become due. You should carefully consider whether the RBS ETNs are suited to your particular circumstances before you decide to purchase them. We urge you to consult with your investment, legal, accounting, tax and other

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advisors with respect to any investment in the RBS ETNs. The RBS ETNs are not suitable for all investors. You should carefully read the relevant pricing supplement and prospectus, including the more detailed explanation of the risks involved in any investment in the RBS ETNs as described in the "Risk Factors" section of the pricing supplement, before investing.

IMPORTANT INFORMATION: RBS plc and RBS Group have filed a registration statement (including a prospectus) with the U.S. Securities and Exchange Commission (SEC) for the offering of RBS ETNs to which this communication relates. Before you invest in any RBS ETNs, you should read the prospectus in that registration statement and other documents that have been filed by RBS plc and RBS Group with the SEC for more complete information about RBS plc and RBS Group, and the offering. You may get these documents for free by visiting EDGAR on the SEC's web site at www.sec.gov. Alternatively, RBS plc, RBS Securities Inc. (RBSSI) or any dealer participating in the offering will arrange to send you the prospectus and the pricing supplement at no charge if you request it by calling 1-855-RBS-ETPS (toll-free).

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