

AVVISO n.651	19 Gennaio 2010	MOT – DomesticMOT
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Mittente del comunicato : Borsa Italiana
Societa' oggetto : ABN AMRO BANK
dell'Avviso
Oggetto : DomesticMOT: inizio negoziazioni
obbligazioni "ABN AMRO"

Testo del comunicato

Si veda allegato.

Disposizioni della Borsa

Società emittente: **ABN AMRO Bank N.V.**

Titoli: **1) “CEDOLA CRESCENTE III 2009 – 2014 Notes” (ISIN NL0009285790)**
2) “TASSO FISSO 11/12/2019” (ISIN NL0009287614)

Rating Emittente:

Società di Rating	Long Term	Data Report
Moody's	Aa3	04/08/2009
Standard & Poor's	A+	01/04/2009
Fitch Ratings	AA-	10/10/2008

Oggetto: **INIZIO DELLE NEGOZIAZIONI IN BORSA**

Data inizio negoziazioni: **21 gennaio 2010**

Mercato di negoziazione: Borsa - Mercato telematico delle obbligazioni (MOT), segmento DomesticMOT, “classe altri titoli di debito”

EMS: 25.000

CARATTERISTICHE SALIENTI DEI TITOLI OGGETTO DI QUOTAZIONE

“CEDOLA CRESCENTE III 2009 – 2014 Notes”

Modalità di negoziazione: **corso secco**

N. obbligazioni in circolazione: 70.000

Valore nominale unitario: 1.000 Euro

Valore nominale complessivo delle obbligazioni in circolazione: 70.000.000 Euro

Interessi: le obbligazioni frutteranno interessi annuali pagabili in via posticipata il 30 novembre di ciascun anno, in conformità a

quanto specificato al paragrafo “Rate Notes” dei Final Terms del prestito.

Modalità di calcolo dei ratei:	ACT/ACT
Godimento:	30 novembre 2009
Scadenza:	30 novembre 2014 (rimborso alla pari in un'unica soluzione alla scadenza)
Tagli:	unico da nominali 1.000 Euro
Codice ISIN:	NL0009285790
Codice TIDM:	B3DH
Denominazione breve:	ABN_NV14_SC_EUR
Denominazione lunga:	ABN_NV14_CEDOLA_CRESCENTE_III_2009-2014
Importo minimo di negoiazione:	1.000 Euro
“TASSO FISSO 11/12/2019”	
Modalità di negoziazione:	<u>corso secco</u>
N. obbligazioni in circolazione:	16.000
Valore nominale unitario:	1.000 Euro
Valore nominale complessivo delle obbligazioni in circolazione:	16.000.000 Euro
Interessi:	le obbligazioni frutteranno interessi annuali pagabili in via posticipata l'11 dei mesi di marzo, giugno, settembre e dicembre di ciascun anno, in conformità a quanto

specificato al paragrafo ‘Rate Notes’ dei Final Terms del prestito.

Tasso della cedola in corso:	1,13425%
Modalità di calcolo dei ratei:	ACT/ACT su base periodale
Godimento:	11 dicembre 2009
Scadenza:	11 dicembre 2019 (rimborso alla pari in un’unica soluzione alla scadenza)
Tagli:	unico da nominali 1.000 Euro
Codice ISIN:	NL0009287614
Codice TIDM:	B3DG
Denominazione breve:	ABN_DC19_EUR4,6
Denominazione lunga:	ABN_TASSO_FISSO_11/12/2019
Importo minimo di negoziazione:	1.000 Euro

DISPOSIZIONI DELLA BORSA ITALIANA

Dal 21 gennaio 2010 le obbligazioni “CEDOLA CRESCENTE III 2009 – 2014 Notes” e “TASSO FISSO 11/12/2019” verranno iscritte nel Listino Ufficiale, comparto obbligazionario (MOT).

Allegati:

- Final Terms dei prestiti obbligazionari;
- Estratto del Base Prospectus.

FINAL TERMS

DATED 23 OCTOBER 2009



ABN AMRO Bank N.V.

(incorporated in The Netherlands with its statutory seat in Amsterdam)

UP TO EUR 70,000,000 "CEDOLA CRESCENTE III 2009 -2014" NOTES

ISSUE PRICE: 100%

These Final Terms, the Notes Base Prospectus, as supplemented from time to time and any additional information with regard to "Cedola Crescente III 2009 -2014" Notes (the "**Securities**") shall be published on the Issuer's website: www.markets.rbsbank.it

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (SECURITIES ACT) AND THE SECURITIES MAY NOT BE EXERCISED, OFFERED, SOLD, TRANSFERRED OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT. FURTHERMORE, TRADING IN THE SECURITIES HAS NOT BEEN APPROVED BY THE UNITED STATES COMMODITY FUTURES TRADING COMMISSION UNDER THE UNITED STATES COMMODITY EXCHANGE ACT, AS AMENDED AND NO U.S. PERSON MAY AT ANY TIME TRADE OR MAINTAIN A POSITION IN THE SECURITIES.

FINAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions and the Product Conditions applicable to each Series of Securities described herein (the “relevant Product Conditions”) as set forth in the Base Prospectus relating to Notes dated 1 July 2009 (the “Base Prospectus”), as supplemented from time to time, which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). This document constitutes the Final Terms of each Series of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus as so supplemented. Full information on the Issuer and each Series of the Securities described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus as so supplemented is available for viewing at the office of the Issuer at 250 Bishopsgate, London EC2M 4AA, United Kingdom and copies may be obtained from the Issuer at that address.

These Final Terms must be read in conjunction with, and are subject to, the General Conditions and the relevant Product Conditions contained in the Base Prospectus as so supplemented. These Final Terms, the relevant Product Conditions and the General Conditions together constitute the Conditions of each Series of the Securities described herein and will be attached to any Global Security representing each such Series of the Securities. In the event of any inconsistency between these Final Terms and the General Conditions or the relevant Product Conditions, these Final Terms will govern.

The Netherlands Authority for the Financial Markets has provided the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), Financial Market Authority (FMA), Commission Bancaire, Financiere et des Assurances (CBFA), Comisión Nacional del Mercado de Valores (CNMV), Comissão do Mercado de Valores Mobiliários (CMVM), Autorité des Marchés Financiers (AMF), Irish Financial Services Regulatory Authority (IFSRA), Commissione Nazionale per le Società e la Borsa (CONSOB), Commission de Surveillance du Secteur Financier (CSSF), Financial Services Authority (FSA), Financial Supervisory Authority (FIN-FSA), the Danish Financial Services Authority (Finanstilsynet), the Swedish Financial Supervisory Authority, the Czech National Bank (CNB) and Comisia Nationala a Valorilor Mobiliare (CNVM) with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

So far as the Issuer is aware, no person (other than (i) the Issuer, see “Risk Factors - Actions taken by the Issuer may affect the value of the Securities” in the Base Prospectus, (ii) the Calculation Agent, see “Risk Factors – Actions taken by the Calculation Agent may affect the Underlying” in the Base Prospectus and (iii) the third party distributors) involved in the issue of the Notes has an interest material to the offer.

Issuer: ABN AMRO Bank N.V., acting through its principal office at Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands or its London branch at 250 Bishopsgate, London EC2M 4AA

Clearing Agents: Monte Titoli S.p.A., Milan

Subscription Period: From (and including) 26 October to (and including) 23 November 2009

Pricing Date(s): Not Applicable

Launch Date: 23 October 2009

As, if and when issued trading: Not Applicable

Issue Date: 30 November 2009

Listing: Milan Stock Exchange– *Mercato Telematico delle Obbligazioni* (MOT), organised and managed by Borsa Italiana S.p.A.

Listing Date: The listing date shall be fixed within 90 calendar days starting from (and including) the Issue Date

Admission to trading: The Issuer undertakes to apply for the Securities to be admitted to trading on the Milan Stock Exchange– *Mercato Telematico delle Obbligazioni* (MOT), organised and managed by Borsa Italiana S.p.A., within 30 calendar days from the Issue Date and with effect from the Listing Date. Before admission to trading of the Securities on MOT, the Issuer will provide, in normal market conditions and subject to events beyond its control, a bid/offer price for the Securities for trading on the secondary market. The price will be determined in accordance with the same pricing models used in the determination of the Issue Price of the Securities

Announcements to Holders: Delivered to Borsa Italiana S.p.A for delivery to the market in the event of Milan Stock Exchange (MOT) listing, otherwise to Clearing Agents

Principal Agent: ABN AMRO Bank N.V., 250 Bishopsgate, London EC2M 4AA

Agent(s): BNP Paribas, Milan

Calculation Agent: ABN AMRO Bank N.V., 250 Bishopsgate, London EC2M 4AA

Sales Restriction: The Securities have not been and will not be registered under the United States Securities Act of 1933, as amended ("**Securities Act**") and the Securities may not be exercised, offered, sold, transferred or delivered within the United States or to, or for the account or benefit of, any U.S. person as defined in Regulation S under the Securities Act. Furthermore, trading in the Securities has not been approved by the United States Commodity Futures Trading Commission under the United States Commodity Exchange Act, as amended and no U.S. person may at any time trade or maintain a position in the Securities

RATE NOTES

Series:	<i>“Cedola Crescente III 2009 –2014” Notes</i>
Nominal Amount:	EUR 1,000
Issue Price:	100%
Additional Market Disruption Events:	None
Business Day:	A day on which the Trans-European Automated Real-time Gross-settlement Express Transfer (TARGET2) System is open for business
Business Day Convention:	Following
Cash Amount:	Nominal Amount x 100%
Emerging Market Disruption Events:	The definition in Product Condition 1 of the Base Prospectus applies
Interest:	Applicable
Interest Payment Dates:	30 November in each year up to (and including) the Maturity Date, with the first Interest Payment Date being 30 November 2010
Interest Period:	As stated in Product Condition 1 of the Base Prospectus
Interest Rate:	(i) In respect of the first Interest Period: 3.10 per cent. (gross) per annum; (ii) In respect of the second Interest Period: 3.35 per cent. (gross) per annum; (iii) In respect of the third Interest Period: 3.60 per cent. (gross) per annum; (iv) In respect of the fourth Interest Period: 3.85 per cent. (gross) per annum; (v) In respect of the fifth Interest Period: 4.10 per cent. (gross) per annum;
Interest Rate Day Count Fraction:	The actual number of days in the relevant period divided by 365 save that for a portion which any such period falls in a leap year, the number of days in such portion shall be divided by 366
Issuer Call:	Not Applicable
Issuer Call Cash Amount:	Not Applicable
Issuer Call Commencement Date:	Not Applicable
Issuer Call Date:	Not Applicable

Issuer Call Notice Period:	Not Applicable
Maturity Date:	30 November 2014
Reference Banks:	Not Applicable
Relevant Currency:	The definition in Product Condition 1 of the Base Prospectus applies
Settlement Currency:	EUR
Standard Currency:	The definition in Product Condition 1 of the Base Prospectus applies
Underlying Rate(s):	Not Applicable
Valuation Time:	Not Applicable
ISIN:	NL0009285790
Common Code:	Not Applicable
Fondscore:	Not Applicable
Other Securities Code:	Not Applicable
Indication of yield:	3.58% (gross) <i>per annum</i> at maturity
Amendments to General Conditions or Product Conditions:	<p>1. General Condition 3 of the Base Prospectus is deleted in its entirety and replaced with the following:</p> <p>“The Issuer shall have the right to terminate the Securities if it shall have determined in its absolute discretion that for reasons beyond its control its performance thereunder shall have become unlawful in whole or in part as a result of compliance in good faith by the Issuer with any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative, legislative or judicial authority or power (“Applicable Law”). In such circumstances the Issuer will, however, if and to the extent permitted by the Applicable Law, pay to each Holder in respect of each Security held by such Holder an amount equal to the Nominal Amount of the Security plus interest which has accrued on a pro rata temporis basis as determined by the Calculation Agent who shall act at all times in good faith and a commercially reasonable manner. Payment will be made to the Holder in such manner as shall be notified to the Holder in accordance with General Condition 4 of the Base Prospectus”;</p> <p>2. General Condition 5 of the Base Prospectus is deleted and replaced with the words: “Intentionally left blank”;</p> <p>3. General Condition 7(a) (ii) (iii) and (iv) of the Base Prospectus are deleted in their entirety and replaced with the words: “Intentionally left blank”;</p> <p>4. General Condition 7(b) of the Base Prospectus is deleted in its entirety and replaced with the following:</p> <p>“Modifications: The Issuer may, without the consent of the Holders or any of them, modify any provision of the Conditions which is: (i) of a formal, minor or technical nature; or (ii) made to correct a manifest</p>

error in its absolute discretion, provided any such modification is not materially prejudicial to the interests of the Holders. Notice of any such modification will be given to the Holders in accordance with General Condition 4 but failure to give, or the non-receipt of such notice will not affect the validity of any such modification”;

5. General Condition 8 of the Base Prospectus is deleted in its entirety and replaced with the following:

“SUBSTITUTION: (a) Substitution of Issuer. The Issuer may at any time without the consent of the Holders substitute for itself as issuer of the Securities with regard to any and all rights, obligations and liabilities under and in connection with the Securities: (A) The Royal Bank of Scotland plc, registered in Scotland under No. 90312, with its registered office at 36 St Andrew Square, Edinburgh EH2 2YB, (“RBS” or the “Substitute”) subject to the Issuer having given at least 30 days’ prior notice of the date of such substitution to the Holders in accordance with General Condition 4; or (B) any entity being any subsidiary or affiliate of RBS other than RBS (also, the “Substitute”), subject to: (i) the Issuer having given at least 30 days’ prior notice of the date of such substitution to the Holders in accordance with General Condition 4; and (ii) the Issuer or RBS having issued a legal, valid and binding guarantee of the obligations and liabilities of the Substitute under the Securities for the benefit of each and any of the Holders; and in each case (A) and (B) subject to all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Securities represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and being in full force and effect. In the event of any substitution of the Issuer, any reference in the Conditions to the Issuer shall from such time be construed as a reference to the Substitute. (b) Substitution of Office. The Issuer shall have the right upon notice to the Holders in accordance with General Condition 4 to change the office through which it is acting and shall specify the date of such change in such notice.”; and

6. The definition of “Cash Amount” in Product Condition 1 of the Base Prospectus is amended by deleting the following words in the first sentence: “less Expenses”.

Amendments to the Offering Procedure for the Securities:

None

Sales Restriction:

The Securities have not been and will not be registered under the United States Securities Act of 1933, as amended (“**Securities Act**”) and the Securities may not be exercised, offered, sold, transferred or delivered within the United States or to, or for the account or benefit of, any U.S. person as defined in Regulation S under the Securities Act. Furthermore, trading in the Securities has not been approved by the United States Commodity Futures Trading Commission under the United States Commodity Exchange Act, as amended and no U.S. person may at any time trade or maintain a position in the Securities.

INFORMATION ON THE UNDERLYING

Page where information about the past and future performance of the Underlying Not Applicable

and its volatility can be obtained:

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

ADDITIONAL INFORMATION

This paragraph contains information in relation to the tax regime concerning the purchase, possession, cession and redemption of the Securities. The following information is based on the Italian tax regime in force at the date of these Final Terms, save that the said tax regime remains subject to possible changes that could have retroactive effect. Therefore, the following information is not intended to be a complete analysis of all the tax consequences of the purchase, possession, cession and redemption of the Securities. Investors are recommended to consult their independent advisers with respect to the tax implications concerning the purchase, possession, cession and redemption of the Securities.

In accordance with the Italian tax regime currently in force, certain Italian investors receiving interest or proceeds deriving from the redemption of the Securities are subject to a substitutive tax (un'imposta sostitutiva) applied at a rate of 12.50% pursuant to the legislative decree 1 April 1996 n. 239. Any proceed deriving from the sale of the Securities is subject to a substitutive tax (un'imposta sostitutiva) applied at a rate of 12.50% pursuant to the legislative decree 21 November 1997 n. 461 as amended from time to time. In the event that Securities are redeemed, in full or in part, prior to 18 months from their issue date, Italian resident Security-holders will be required to pay, by way of a withholding to be applied by the Italian intermediary responsible for payment of interest or the redemption of the Securities, an amount equal to 20 per cent. of the interest and other amounts accrued up to the time of the early redemption.

FURTHER ADDITIONAL INFORMATION

(i) Name of relevant third party distributor/s:

The Securities shall be offered in Italy, on an exclusive basis, through Allianz Bank Financial Advisors S.p.A (the "**Distributor**"), with registered office at Piazzale Lodi 3, 20137 Milano, Italia, on behalf of the Issuer, which, in relation to the Securities, will also act as "**Responsabile del Collocamento**" as defined in Article 93-bis of the Legislative Decree 58/1998.

No underwriting commitment has been taken by the Distributor.

- (ii) Pursuant to all applicable laws and regulations, any potential conflict of interests of the third party distributor shall be immediately brought to the attention of prospective purchasers by the third party distributor referred to above
- (iii) Minimum subscription size: 1 Security
- (iv) Minimum trading size: 1 Security
- (v) The target market of the offer: the Securities shall be offered through the Distributor in Italy exclusively to retail customers (other than qualified investors as defined in the *pro tempore* applicable law), who have been classified by the Distributor as a "retail client" as more particularly defined in the Consob Regulation n. 16190/2007 and who are not "U.S. Persons" as defined in the paragraph "Sales Restrictions" above.
- (vi) Publication of the offer's results: the offer's results will be published by the Issuer on the website www.markets.rbsbank.it and by the Distributor on the website www.allianzbank.it at the end of the Subscription Period.
- (vii) Details relating to the offer: the Securities can be placed by the Distributor through its premises or branches and through "door to door selling" (through financial salesmen, pursuant to the Articles 30 and 31 of the Legislative Decree 24 February 1998, n. 58). Therefore, the effectiveness of the

subscription requests, with reference to those “door to door selling”, will be suspended for 7 (seven) calendar days from the date of the subscription. Within such terms, the subscriber can withdraw the subscription by means of a notice to the financial salesmen or to the Distributor without any liability, expenses or other fees, according to the conditions indicated in the subscription form.

- (viii) Assignment criteria: the quantity of Securities to be assigned to subscribers will be managed and coordinated by the Distributor in accordance with the conditions indicated in the subscription form.
- (ix) Total fees and charges: the Distributor will receive from the Issuer a placement fee that is included in the Issue Price of the Securities. The Issuer will receive a structuring fee that is included in the Issue Price of the Securities. For further details in this regard, see the Annex attached hereto. The above fees (which are included in the Issue Price) are paid by the Holder.
- (x) For information concerning: (1) the breakdown of the Issue Price; (2) the onsale value of the Security as of the Issue Date; (3) the rate of return of the Securities; and (4) a comparison with equivalent risk free bonds; see the Annex attached hereto
- (xi) For information regarding the risks associated with the Securities, see the paragraph “Risk Factors” in the Base Prospectus
- (xii) Status of the Securities: ordinary, unsubordinated and unsecured obligations of the Issuer.
- (xiii) Applicable Law: English
- (xiv) Maximum amount of the issue: the total notional amount of the issue that is offered for subscription is up to Euro 70 millions, for a maximum total equal to n. 70,000 Securities. During the Subscription Period, the Issuer, by giving advance notice, will have the right to increase the maximum notional amount of the issue that is offered for subscription and accordingly the maximum number of Securities that are the object of the offer.

The notice relating to the increase (if any) of the amount of the issue and/or the notional amount that will be issued and, accordingly, the number of Securities that will be issued shall be published by the Issuer on the website www.markets.rbsbank.it and by the Distributor on website www.allianzbank.it.
- (xv) Rating: the Securities are not expected to be rated.
The Issuer has been assigned a senior unsecured debt rating of “Aa3 (Negative Outlook)” by Moody’s Investors Service, a senior debt rating of “A+ (Stable Outlook)” by Standard & Poor’s Rating Services, a division of the McGraw-Hill Companies and a senior unsecured debt rating of “AA-” (Outlook Stable) by Fitch Rating Limited.” For clarification on the ratings, reference is made to www.moody.com, www.standardandpoors.com and www.fitchratings.com
- (xvi) Subscription: The Issuer may terminate the Subscription Period prior to the end of the period once the subscriptions have reached the total notional amount of the issue.
The Issuer reserves the right to extend the Subscription Period, as well as to terminate the offer prior to the end of the Subscription Period (so that no further subscription requests shall be accepted following such termination), regardless of the fact that the maximum amount of the issue has been reached.
The Distributor reserves the right to extend the Subscription Period or to terminate the offer early (so that no further subscription requests shall be accepted following such termination) regardless of whether the maximum amount of the issue has been reached.
The notice relating to termination or the termination prior to the end of the Subscription Period will be published by the Issuer on the website www.markets.rbsbank.it and by Distributor on the website www.allianzbank.it.

ANNEX

Breakdown of the Issue Price

The Issue Price may be subdivided, from a financial viewpoint, in the components detailed below, as referred to at 14 October 2009.

Investors should be aware that during the Subscription Period the value of the bond component, calculated in accordance with the methodology of the actual net value, may change as a consequence of variations in market conditions, save that (i) the Issue Price will in all cases be equal to 100% of the Nominal Amount (i.e. EUR 1,000.00), including the fees set out below and (ii) the below placement fee will in all cases be fixed between a minimum value of 2.75% of the Issue Price up to a maximum value of 3.75% of the Issue Price.

Issue Price:	Euro 1,000.00	(100%)
Value of the bond component:	EUR 964.00	96.40%
Placement fee:	EUR 31.00	3.10%
Structuring fee:	EUR 5.00	0.50%

Onsale Value of the Security as of the Issue Date

Further to the above paragraph, "Breakdown of the Issue Price", and assuming there are no variations in market conditions, as of the Issue Date the onsale value of the Securities will be equal to 95.90% of the Issue Price, which includes a bid/offer spread that can be reasonably believed to be equal to 1.00%, subject to exceptional market conditions. Additionally, should the Securities be sold, the relevant Holder will be obliged to pay the trading fees which are charged by the intermediary in accordance with the fees fixed by the intermediary.

Rate of Return of the Securities

The effective rate of return per annum at maturity (gross and net of the tax percentage) of the Securities is shown below.

Rate of return per annum (gross)	Rate of return per annum (net)
3.58%	3.14%

Comparison of the Securities with equivalent risk free bonds

	Risk free bond BTP 4.25% 01/02/2015 ISIN IT0003719918 (Market price as of 14/10/2009: 106,341)	SECURITY CEDOLA CRESCENTE III 2009-2014 ISIN NL0009285790
Maturity	1 February 2015	30 November 2014
Rate of return per annum (gross) as of 14 October 2009	2.96%	3.58%
Rate of return per annum (net) as of 14 October 2009	2.44%	3.14%

FINAL TERMS

DATED 20 NOVEMBER 2009



UP TO EUR 10,000,000 OBBLIGAZIONE TASSO FISSO 11/12/2019

ISSUE PRICE: 100%

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (SECURITIES ACT) AND THE SECURITIES MAY NOT BE EXERCISED, OFFERED, SOLD, TRANSFERRED OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT. FURTHERMORE, TRADING IN THE SECURITIES HAS NOT BEEN APPROVED BY THE UNITED STATES COMMODITY FUTURES TRADING COMMISSION UNDER THE UNITED STATES COMMODITY EXCHANGE ACT, AS AMENDED AND NO U.S. PERSON MAY AT ANY TIME TRADE OR MAINTAIN A POSITION IN THE SECURITIES.

These Final Terms, the Notes Base Prospectus, as supplemented from time to time and any additional information with regard to Obbligazione Tasso Fisso 11/12/2019 shall be published on the Issuer's website: <http://markets.rbsbank.it>

FINAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions and the Product Conditions applicable to each Series of Securities described herein (the “relevant Product Conditions”) as set forth in the Base Prospectus relating to Notes dated 1 July 2009 (the “Base Prospectus”), as supplemented from time to time, which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). This document constitutes the Final Terms of each Series of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus as so supplemented. Full information on the Issuer and each Series of the Securities described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus as so supplemented is available for viewing at the office of the Issuer at 250 Bishopsgate, London EC2M 4AA, United Kingdom and copies may be obtained from the Issuer at that address.

These Final Terms must be read in conjunction with, and are subject to, the General Conditions and the relevant Product Conditions contained in the Base Prospectus as so supplemented. These Final Terms, the relevant Product Conditions and the General Conditions together constitute the Conditions of each Series of the Securities described herein and will be attached to any Global Security representing each such Series of the Securities. In the event of any inconsistency between these Final Terms and the General Conditions or the relevant Product Conditions, these Final Terms will govern.

The Netherlands Authority for the Financial Markets has provided the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), Financial Market Authority (FMA), Commission Bancaire, Financiere et des Assurances (CBFA), Comisión Nacional del Mercado de Valores (CNMV), Comissão do Mercado de Valores Mobiliários (CMVM), Autorité des Marchés Financiers (AMF), Irish Financial Services Regulatory Authority (IFSRA), Commissione Nazionale per le Società e la Borsa (CONSOB), Commission de Surveillance du Secteur Financier (CSSF), Financial Services Authority (FSA), Financial Supervisory Authority (FIN-FSA), the Danish Financial Services Authority (Finanstilsynet), the Swedish Financial Supervisory Authority, the Czech National Bank (CNB) and Comisia Nationala a Valorilor Mobiliare (CNVM) with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

So far as the Issuer is aware, no person (other than (i) the Issuer see "Risk Factors - Actions taken by the Issuer may affect the value of the Securities" in the Base Prospectus, (ii) the Calculation Agent, see "Risk Factors - Actions taken by the Calculation Agent may affect the Underlying" in the Base Prospectus and (iii) the third party distributors) involved in the issue of the Notes has an interest material to the offer.

Issuer: ABN AMRO Bank N.V., acting through its principal office at Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands or its London branch at 250 Bishopsgate, London EC2M 4AA, United Kingdom

Clearing Agents: Monte Titoli S.p.A., Milan
Euroclear Bank S.A./N.V. as operator of the Euroclear system
Clearstream Banking, société anonyme

Subscription Period: From (and including) 23 November 2009 to (and including) 8 December 2009

Pricing Date(s): Not Applicable

Launch Date: 20 November 2009

As, if and when issued trading: Not Applicable

Issue Date: 11 December 2009

Listing: Milan Stock Exchange (MOT) or the Regulated Market of the Luxembourg Stock Exchange

Listing Date: The Issue Date or as soon as practicable thereafter

Admission to trading: Application will be made for the Securities to be admitted to trading on Milan Stock Exchange (MOT) or failing such application, on the Regulated Market of the Luxembourg Stock Exchange, with effect from the Listing Date

Announcements to Holders: Delivered to Borsa Italiana S.p.A for delivery to the market in the event of MOT listing, otherwise to Clearing Agents

Principal Agent: ABN AMRO Bank N.V., 250 Bishopsgate, London EC2M 4AA, United Kingdom

Agent(s): BNP Paribas Milan

Calculation Agent: ABN AMRO Bank N.V., 250 Bishopsgate, London EC2M 4AA, United Kingdom

Sales Restriction: The Securities have not been and will not be registered under the United States Securities Act of 1933, as amended ("**Securities Act**") and the Securities may not be exercised, offered, sold, transferred or delivered within the United States or to, or for the account or benefit of, any U.S. person as defined in Regulation S under the Securities Act. Furthermore, trading in the Securities has not been approved by the United States Commodity Futures Trading Commission under the United States Commodity Exchange Act, as amended and no U.S. person may at any time trade or maintain a position in the Securities

RATE NOTES

Series:	<i>Obbligazione Tasso Fisso 11/12/2019</i>
Nominal Amount:	EUR 1,000
Issue Price:	100%
Additional Market Disruption	None
Events:	
Business Day:	A day on which the Trans-European Automated Real-time Gross-settlement Express Transfer (TARGET2) System is open for business
Business Day Convention:	Following
Cash Amount:	Nominal Amount x 100%
Emerging Market Disruption	The definition in Product Condition 1 applies
Events:	
Interest:	Applicable
Interest Payment Dates:	11 March, 11 June, 11 September and 11 December in each year up to (and including) the Maturity Date, with the first Interest Payment Date being 11 March 2010
Interest Period:	As stated in Product Condition 1
Interest Rate:	4.60%
Interest Rate Day Count Fraction:	The actual number of days in the relevant period divided by 365 save that for a portion which any such period falls in a leap year, the number of days in such portion shall be divided by 366
Issuer Call:	Not Applicable
Issuer Call Cash Amount:	Not Applicable
Issuer Call Commencement Date:	Not Applicable
Issuer Call Date:	Not Applicable
Issuer Call Notice Period:	Not Applicable
Maturity Date:	11 December 2019, or if such day is not a Business Day the next succeeding Business Day
Reference Banks:	Not Applicable
Relevant Currency:	The definition in Product Condition 1 applies
Settlement Currency:	EUR
Standard Currency:	The definition in Product Condition 1 applies
Underlying Rate(s):	Not Applicable

Valuation Time:	Not Applicable
ISIN:	NL0009287614
Common Code:	Not Applicable
Fondscore:	Not Applicable
Other Securities Code:	Not Applicable
Indication of yield:	4.68%

Amendments to General
Conditions or Product
Conditions:

**The following provisions apply ONLY in the event of listing on
MOT**

1. General Condition 3 is deleted in its entirety and replaced with the following:

“The Issuer shall have the right to terminate the Securities if it shall have determined in its absolute discretion that for reasons beyond its control its performance thereunder shall have become unlawful in whole or in part as a result of compliance in good faith by the Issuer with any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative, legislative or judicial authority or power (“**Applicable Law**”). In such circumstances the Issuer will, however, if and to the extent permitted by the Applicable Law, pay to each Holder in respect of each Security held by such Holder an amount equal to the Nominal Amount of the Security plus interest which has accrued on a pro rata temporis basis as determined by the Calculation Agent who shall act at all times in good faith and a commercially reasonable manner. Payment will be made to the Holder in such manner as shall be notified to the Holder in accordance with General Condition 4”;

2. General Condition 5 is deleted in its entirety and replaced with the words: “Intentionally left blank”;

3. General Condition 7(a) (ii) (iii) and (iv) are deleted in their entirety and replaced with the words: “Intentionally left blank”;

4. General Condition 7(b) is deleted in its entirety and replaced with the following:

“Modifications: The Issuer may, without the consent of the Holders or any of them, modify any provision of the Conditions which is: (i) of a formal, minor or technical nature; or (ii) made to correct a manifest error in its absolute discretion, provided any such modification is not materially prejudicial to the interests of the Holders. Notice of any such modification will be given to the Holders in accordance with General Condition 4 but failure to give, or the non-receipt of such notice will not affect the validity of any such modification”;

5. General Condition 8 is deleted in its entirety and replaced with the following:

“SUBSTITUTION: (a) Substitution of Issuer. The Issuer may at any time without the consent of the Holders substitute for itself as issuer of the Securities with regard to any and all rights, obligations and liabilities under and in connection with the Securities: (A) The Royal Bank of Scotland plc, registered in Scotland under No. 90312, with its registered office at 36 St Andrew Square, Edinburgh EH2 2YB, (“**RBS**” or the “**Substitute**”) subject to the Issuer having given at least 30 days' prior notice of the date of such substitution to the Holders in

accordance with General Condition 4; or (B) any entity being any subsidiary or affiliate of RBS other than RBS (also, the "**Substitute**"), subject to: (i) the Issuer having given at least 30 days' prior notice of the date of such substitution to the Holders in accordance with General Condition 4; and (ii) the Issuer or RBS having issued a legal, valid and binding guarantee of the obligations and liabilities of the Substitute under the Securities for the benefit of each and any of the Holders; and in each case (A) and (B) subject to all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Securities represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and being in full force and effect. In the event of any substitution of the Issuer, any reference in the Conditions to the Issuer shall from such time be construed as a reference to the Substitute. (b) Substitution of Office. The Issuer shall have the right upon notice to the Holders in accordance with General Condition 4 to change the office through which it is acting and shall specify the date of such change in such notice."; and

6. The definition of "Cash Amount" in Product Condition 1 is amended by deleting the following words in the first sentence: "less Expenses"

Amendments to the Offering Procedure for the Securities:

None

Sales Restriction:

The Securities have not been and will not be registered under the United States Securities Act of 1933, as amended ("**Securities Act**") and the Securities may not be exercised, offered, sold, transferred or delivered within the United States or to, or for the account or benefit of, any U.S. person as defined in Regulation S under the Securities Act. Furthermore, trading in the Securities has not been approved by the United States Commodity Futures Trading Commission under the United States Commodity Exchange Act, as amended and no U.S. person may at any time trade or maintain a position in the Securities.

INFORMATION ON THE UNDERLYING

Page where information about the past and future performance of the Underlying and its volatility can be obtained: Not Applicable

ADDITIONAL INFORMATION

This paragraph contains information in relation to the tax regime concerning the purchase, possession, cession and redemption of the Securities. The following information is based on the Italian tax regime in force at the date of these Final Terms, save that the said tax regime remains subject to possible changes that could have retroactive effect. Therefore, the following information is not intended to be a complete analysis of all the tax consequences of the purchase, possession, cession and redemption of the Securities. Investors are recommended to consult their independent advisers with respect to the tax implications concerning the purchase, possession, cession and redemption of the Securities.

In accordance with the Italian tax regime currently in force, certain Italian investors receiving interest or proceeds deriving from the redemption of the Securities are subject to a substitutive tax (un'imposta sostitutiva) applied at a rate of 12.50% pursuant to the legislative decree 1 April 1996 n. 239. Any proceed deriving from the sale of the Securities is subject to a substitutive tax (un'imposta sostitutiva) applied at a rate of 12.50% pursuant to the legislative decree 21 November 1997 n. 461 as amended from time to time. In the event that Securities are redeemed, in full or in part, prior to 18 months from their issue date, Italian resident Security-holders will be required to pay, by way of a withholding to be applied by the Italian

intermediary responsible for payment of interest or the redemption of the Securities, an amount equal to 20 per cent. of the interest and other amounts accrued up to the time of the early redemption.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

FURTHER ADDITIONAL INFORMATION

(i) Name of relevant third party distributor/s:

The Securities shall be placed/offered in Italy through Südtirol Bank A.G.- Alto Adige Banca S.p.A. on behalf of the Issuer (the "Responsabile del Collocamento") and through any other bank which the Issuer might appoint and indicate on the website <http://markets.rbsbank.it>

(ii) Pursuant to applicable laws and regulations, any potential conflict of interest of the third party distributor shall be immediately brought to the attention of prospective purchasers by the third party distributor referred to above

(iii) Minimum trading size: 1 Security

(vi) The Issue Price may be subdivided, from a financial viewpoint, in the components shown here below, as referred to at 18 November 2009. During the Subscription Period the value of such components might change as a consequence of variations in the market conditions, save that the Issue Price will in all cases be equal to EUR 1,000, including the fees shown here below.

Issue Price: EUR 1,000 (100%)

Value of the bond component: 98.30% of EUR 1,000

Structuring fees: 0.5% of EUR 1,000

Placement fees: Up to 1.20% of EUR 1,000



3 dicembre 2009

ABN AMRO BANK N.V.

ADDENDUM

ai

FINAL TERMS del 20 novembre 2009

RELATIVI A

**ABN AMRO BANK N.V. – “UP TO EUR 10,000,000 OBBLIGAZIONE TASSO FISSO 11/12/2019”
(codice ISIN NL0009287614)**

Con questo ADDENDUM si modifica l'ammontare degli strumenti finanziari offerti in base ai suddetti FINAL TERMS, elevando tale importo da un massimo di EURO 10.000.000 ad un massimo di EURO 30.000.000. La prima pagina dei medesimi FINAL TERMS deve pertanto ritenersi emendata sostituendo la dicitura “UP TO EUR 10,000,000 OBBLIGAZIONE TASSO FISSO 11/12/2019” con “UP TO EUR 30,000,000 OBBLIGAZIONE TASSO FISSO 11/12/2019”.

Restano invariati gli altri termini dell'offerta quali indicati nei FINAL TERMS.

CONDITIONS: PRODUCT CONDITIONS
RELATING TO RATE NOTES

The Product Conditions which follow relate to the Securities and must be read in conjunction with, and are subject to, the applicable Final Terms and the General Conditions (whether or not attached to this document). The applicable Final Terms, the Product Conditions and the General Conditions together constitute the Conditions of the Securities and will be printed on any Definitive Securities and attached to any Global Security representing the Securities.

1. DEFINITIONS

“**Agent**” means each of the Principal Agent and Agent(s), each as specified in the applicable Final Terms, each acting through its specified office and, together, the “**Agents**” which expression shall include any other Agent appointed pursuant to the provisions of General Condition 12;

“**Business Day**” means, unless specified otherwise in the applicable Final Terms, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets are open for general business in London and a day on which each Clearing Agent is open for business;

“**Cash Amount**” means an amount determined by the Calculation Agent in accordance with the formula specified in the definition of “Cash Amount” for the relevant Series in the applicable Final Terms, less Expenses. The Cash Amount shall be rounded to the nearest two decimal places in the Settlement Currency, 0.005 being rounded downwards;

“**Clearing Agent**” means each clearing agent and clearance system specified as such in the applicable Final Terms and such further or alternative clearing agent(s) or clearance system(s) as may be approved by the Issuer from time to time and notified to the Holders in accordance with General Condition 4 (each a “**Clearing Agent**” and together the “**Clearing Agents**”);

“**Coupon**” means an interest coupon attached to each Security (if in definitive form) (if any) representing an entitlement in respect of an Interest Amount;

“**Emerging Market Disruption Event**” means, unless otherwise specified in the definition of the relevant Series in the applicable Final Terms, each of the following events:

- (i) **Moratorium.** A general moratorium is declared in respect of banking activities in the country in which the Exchange or any Related Exchange is located or in the principal financial centre of the Relevant Currency; or
- (ii) **Price Source Disruption.** It becomes impossible to obtain the Relevant Currency Exchange Rate on any relevant date, in the inter-bank market; or

(iii) Governmental Default. With respect to any security or indebtedness for money borrowed or guaranteed by any Governmental Authority, there occurs a default, event of default or other similar condition or event (howsoever described) including, but not limited to, (A) the failure of timely payment in full of principal, interest or other amounts due (without giving effect to any applicable grace periods) in respect of any such security indebtedness for money borrowed or guarantee, (B) a declared moratorium, standstill, waiver, deferral, repudiation or rescheduling of any principal, interest or other amounts due in respect of any such security, indebtedness for money borrowed or guarantee or (C) the amendment or modification of the terms and conditions of payment of any principal, interest or other amounts due in respect of any such security, indebtedness for money borrowed or guarantee without the consent of all holders of such obligation. The determination of the existence or occurrence of any default, event of default or other similar condition or event shall be made without regard to any lack or alleged lack of authority or capacity of such Governmental Authority to issue or enter into such security, indebtedness for money borrowed or guarantee; or

(iv) Inconvertibility/non-transferability. The occurrence of any event which (A) generally makes it impossible to convert the currencies in the Relevant Currency Exchange Rate through customary legal channels for conducting such conversion in the principal financial centre of the Relevant Currency or (B) generally makes it impossible to deliver the Relevant Currency from accounts in the country of the principal financial centre of the Relevant Currency to accounts outside such jurisdiction or the Relevant Currency between accounts in such jurisdiction or to a party that is a non-resident of such jurisdiction; or

(v) Nationalisation. Any expropriation, confiscation, requisition, nationalisation or other action by any Governmental Authority which deprives the Issuer (or any of its affiliates) of all or substantially all of its assets in the country of the principal financial centre of the Relevant Currency; or

(vi) Illiquidity. It is impossible to obtain a firm quote for the Relevant Currency Exchange Rate for an amount which the Issuer considers necessary to discharge its obligations under the Securities; or

(vii) Change in Law. A change in law in the country of the principal financial centre of the Relevant Currency which may affect the ownership in and/or the transferability of the Relevant Currency; or

(viii) Imposition of Tax/Levy. The imposition of any tax and/or levy with punitive character which is imposed in the country of the principal financial centre of the Relevant Currency; or

(ix) Unavailability of Settlement Currency. The unavailability of the Settlement Currency in the country of the principal financial centre of the Relevant Currency, or where the Settlement Currency is the Relevant Currency, the unavailability of the Relevant Currency in the principal financial centre of any other applicable currency; or

(x) Any other event similar to any of the above, which could make it impracticable or impossible for the Issuer to perform its obligations in relation to the Securities;

“Expenses” means all taxes, duties and/or expenses, including all applicable depository, transaction or exercise charges, stamp duties, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties, arising in connection with (i) the exercise of such Security and/or (ii) any payment or delivery due following exercise or otherwise in respect of such Security;

“Final Terms” means the document containing the specific terms relating to the Securities;

“Governmental Authority” is any de facto or de jure government (or agency or instrumentality thereof, court, tribunal, administrative or other governmental authority) or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) in the country of the principal financial centre of either of the currencies in the Relevant Currency Exchange Rate;

“Interest Amount” means, if “Interest” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms, in respect of each Interest Period and each Nominal Amount, an amount calculated by the Calculation Agent as follows:

Nominal Amount x Interest Rate x Interest Rate Day Count Fraction;

“Interest Payment Dates” means, if “Interest” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms, the dates specified as such in the definition of the relevant Series in the applicable Final Terms;

“Interest Period” means, if “Interest” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms and unless otherwise specified in the definition of the relevant Series in the applicable Final Terms, the period commencing on (and including) the Issue Date to (but excluding) the first Interest Payment Date or the Issuer Call Date, as the case may be, and each period commencing on (and including) an Interest Payment Date to (but excluding) the next following Interest Payment Date or the Issuer Call Date, as the case may be;

“Interest Rate” means, if “Interest” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms, in respect of each Interest Period, the rate per annum specified as such, or determined in accordance with the formula specified, in the definition of the relevant Series in the applicable Final Terms;

“Interest Rate Day Count Fraction” means, if “Interest” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms, that interest shall be calculated on the basis specified in the definition of the relevant Series in the applicable Final Terms;

“Issue Date” means the date specified as such in the applicable Final Terms;

“Issuer” means ABN AMRO Bank N.V. incorporated in The Netherlands with its statutory seat in Amsterdam acting through its principal office or its branch in London or such further or other branches as may be specified in the applicable Final Terms;

“Issuer Call” means, if “Issuer Call” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms, the termination of the Securities by the Issuer in accordance with Product Condition 3(b);

“Issuer Call Cash Amount” means, if “Issuer Call” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms, the amount specified, or determined by the Calculation Agent in accordance with the formula specified, in the definition of Issuer Call Cash Amount for the relevant Series in the applicable Final Terms, less Expenses. The Issuer Call Cash Amount payable to a Holder shall be rounded to the nearest two decimal places in the Settlement Currency, 0.005 being rounded downwards;

“Issuer Call Commencement Date” means, if “Issuer Call” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms, the date specified as such in the definition of the relevant Series in the applicable Final Terms;

“Issuer Call Date” means, if “Issuer Call” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms, each date specified as such in the definition of the relevant Series in the applicable Final Terms or, if no such date is specified, in the notice delivered in accordance with Product Condition 3(b);

“Issuer Call Notice Period” means, if “Issuer Call” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms, the period specified as such in the definition of the relevant Series in the applicable Final Terms;

“Market Disruption Event” means each event specified as such in Product Condition 4, any Additional Market Disruption Events specified in the definition of the relevant Series in the applicable Final Terms and any Emerging Market Disruption Event;

“Maturity Date” means the date specified as such in the definition of the relevant Series in the applicable Final Terms;

“Nominal Amount” means the amount specified as such in the definition of the relevant Series in the applicable Final Terms;

“Payment Day” means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets are open for business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre for the Settlement Currency or, if the Settlement Currency is euro, any day on which the Trans-European Automated Real-time Gross-settlement Express Transfer (TARGET 2) System is open;

“Pricing Date” means the date specified as such in the applicable Final Terms, subject to adjustment by the Issuer in adverse market conditions if, in the opinion of the Issuer, circumstances so require;

“Reference Banks” means the entities specified as such in the definition of the relevant Series in the applicable Final Terms;

“Relevant Currency” means, unless otherwise specified in the definition of the relevant Series in the applicable Final Terms, the Settlement Currency, the lawful currency in which the underlying of the Security or any constituent of such underlying is denominated, from time to time, or the lawful currency of the country in which the Exchange or the primary exchange on which an underlying or any constituent of such underlying, is located provided that Relevant Currency shall not include any lawful currency that is a Standard Currency. Notwithstanding the foregoing, where the underlying of a Security is a fund, including but not limited to, an exchange traded fund, a mutual fund, a unit trust or a hedge fund, or an American Depositary Receipt (“**ADR**”) or Global Depositary Receipt (“**GDR**”), the constituents of such fund, ADR or GDR as applicable, shall not be considered for the purpose of this definition;

“Relevant Currency Exchange Rate” means, each rate of exchange between the Relevant Currency and the Settlement Currency, or where the Relevant Currency is the Settlement Currency, between the Relevant Currency and any other applicable currency, as determined by the Calculation Agent by reference to such sources as the Calculation Agent may reasonably determine to be appropriate at such time;

“Relevant Number of Days” means the number of days, if any, specified as such in the definition of “Underlying Rate” for the relevant Series in the applicable Final Terms;

“Screen Page” means each page, if any, specified as such in the definition of “Underlying Rate” for the relevant Series in the applicable Final Terms or any successor to any such page which contains the same information;

“Securities” means each Series of the rate notes specified in the applicable Final Terms and each such note a “**Security**”. References to the terms “**Securities**” and “**Security**” shall be construed severally with respect to each Series specified in the applicable Final Terms;

“Series” mean each series of Securities set out in the applicable Final Terms;

“Settlement Currency” means the currency specified as such in the definition of the relevant Series in the applicable Final Terms;

“Standard Currency” means unless otherwise specified in the definition of the relevant Series in the applicable Final Terms, the lawful currency of Australia, Austria, Belgium, Canada, Cyprus, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Luxembourg, Malta, the Netherlands, New Zealand, Norway, Portugal, Singapore, Slovenia, Spain, Sweden, Switzerland, Taiwan, the United Kingdom and the United States, or such other currency as determined by the Calculation Agent at its sole and absolute discretion from time to time;

“**Underlying Rate**” means each rate specified as such in the definition of the relevant Series in the applicable Final Terms, as determined by the Calculation Agent by reference to the Screen Rate (if any) unless in the determination of the Calculation Agent, a Market Disruption Event has occurred, in which case the Underlying Rate shall be calculated in accordance with Product Condition 4; and

“**Valuation Time**” means at or around the time specified as such in the definition of the relevant Series in the applicable Final Terms or such other time as the Issuer may select in its absolute discretion and notify to Holders in accordance with General Condition 4.

Terms in capitals which are not defined in these Product Conditions shall have the meanings ascribed to them in the General Conditions.

2. FORM

- (a) **Global Form.** Except in the case of Securities issued in dematerialised form, the Securities will be issued in bearer form in the denomination of the Nominal Amount. The Securities are represented by a global security (the “**Global Security**”) which will be deposited with a Clearing Agent or the depositary for one or more Clearing Agents and will be transferable only in accordance with the applicable law and the rules and procedures of the relevant Clearing Agent through whose systems the Securities are transferred. Each person (other than another Clearing Agent) who is for the time being shown in the records of the relevant Clearing Agent as the owner of a particular nominal amount of the Securities (in which regard any certificate or other document issued by the relevant Clearing Agent as to the nominal amount of the Securities standing to the credit of the account of any person shall be conclusive and binding for all purposes except in the case of manifest error) shall be treated by the Issuer and each Agent as the holder of such nominal amount of the Securities (and the term “**Holder**” shall be construed accordingly) for all purposes, other than with respect to any payment and/or delivery obligations, the right to which shall be vested as regards the Issuer and the Agents, solely in the bearer of the Global Security.
- (b) **Dematerialised Form.** Certain Securities will, where required by the rules and procedures of the Clearing Agent, be issued in dematerialised form and will be registered in the book-entry system of the Clearing Agent. Title to the Securities will pass by transfer between accountholders at the Clearing Agent perfected in accordance with the legislation, rules and regulations applicable to and/or issued by the Clearing Agent that are in force and effect from time to time (the “**Rules**”). Accordingly, in these Conditions, the term “**Holder**” means a person in whose name a Security is registered in the book-entry settlement system of the Clearing Agent or any other person recognised as a holder of Securities pursuant to the Rules.

3. RIGHTS AND PROCEDURES

- (a) Redemption on the Maturity Date. Unless previously redeemed or purchased and cancelled and subject as provided by the Conditions, each Security will be redeemed by the Issuer at the Cash Amount, such redemption to occur on the Maturity Date.
- (b) Issuer Call. If "Issuer Call" is specified as being "Applicable" in the definition of the relevant Series in the applicable Final Terms, the Issuer may redeem the Securities in whole, but not in part, on any Issuer Call Date at the Issuer Call Cash Amount by giving Holders at least the Issuer Call Notice Period notice of its intention to redeem the Securities, such notice to be given at any time from (and including) the Issuer Call Commencement Date. Any such notice shall be given in accordance with the provisions of General Condition 4 and shall specify the Issuer Call Date.
- (c) Interest Amount. If "Interest" is specified as being "Applicable" in the definition of the relevant Series in the applicable Final Terms, each Security shall bear interest at the Interest Rate. The Interest Amount is calculated by reference to the relevant Interest Period, the Interest Rate, the Nominal Amount and the Interest Rate Day Count Fraction and is payable on each Interest Payment Date and the Issuer Call Date, as the case may be.
- (d) Interest Accrual. If "Interest" is specified as being "Applicable" in the definition of the relevant Series in the applicable Final Terms, each Security shall cease to accrue interest from and including the due date for redemption. No interest shall accrue after the Maturity Date or the Issuer Call Date, as the case may be, in the event that payment of any amount is postponed due to a Market Disruption Event.
- (e) Payment Day. If the date for payment of any amount in respect of the Securities is not a Payment Day, the Holder shall not be entitled to payment until either (a) if "Modified Following" is specified in the definition of Business Day Convention for the relevant Series in the applicable Final Terms, the next following Payment Day unless such Payment Day falls in the next calendar month in which case the date for payment will be the first preceding Payment Day or (b) if "Following" is specified in the definition of Business Day Convention for the relevant Series in the applicable Final Terms, the next following Payment Day and, in either case, the Holder shall not be entitled to any interest or other payment in respect of such delay or acceleration of payment.
- (f) General. In the absence of gross negligence or wilful misconduct on its part, none of the Issuer, the Calculation Agent or any Agent shall have any responsibility for any errors or omissions in the calculation of the Cash Amount, any Issuer Call Cash Amount or any Interest Amount.

- (g) **Settlement Risk.** Settlement of the Securities is subject to all applicable laws, regulations and practices in force at the relevant time and neither the Issuer nor any Agent shall incur any liability whatsoever if it is unable to effect the transactions contemplated as a result of any such laws, regulations or practices. Neither the Issuer nor any Agent shall under any circumstances be liable for any acts or defaults of any Clearing Agent in relation to the performance of its duties in relation to the Securities.
- (h) **Method of Payment.** Subject as provided below, where any amount paid in connection with the Securities is in a currency other than euro, such payments will be made by an Agent on behalf of the Issuer in the Settlement Currency to an account specified by the payee with, or by a cheque in such Settlement Currency drawn on, a bank in the principal financial centre of the country of such Settlement Currency; where any amount paid in connection with the Securities is in euro, payment of such amount will be made by an Agent on behalf of the Issuer by credit or transfer to a euro account or any account to which euro may be credited or transferred specified by the payee or, at the option of the payee, by a euro cheque. Payments will be made via the Clearing Agent(s) and will be made in accordance with the Rules (if applicable). All payments will be subject to applicable fiscal and legal requirements applicable thereto.
- (i) **Presentation and Surrender.** The Issuer shall record payment of any amount in connection with the Securities made to the relevant Agent and such record shall be prima facie evidence that the payment in question has been made. The Holder shall be the only person entitled to receive payments of any amount paid in connection with the Securities and the Issuer will be discharged by payment to, or to the order of, the Holder in respect of the amount so paid.

4. ADJUSTMENTS

- (a) **Market Disruption.** The Calculation Agent shall as soon as reasonably practicable under the circumstances notify the Holders in accordance with General Condition 4 if it determines that a Market Disruption Event has occurred.

A “**Market Disruption Event**” means the situation in which an Underlying Rate is not available on the relevant Screen Page, in which case the relevant rate shall be determined by the Calculation Agent on the basis of quotations for the relevant rate, or such other related rate as the Calculation Agent shall in its sole and absolute discretion specify, provided by the Reference Banks at the Valuation Time for the relevant day. The Issuer will request the principal London office of each Reference Bank to provide a quotation of the relevant rate. The relevant rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) if more than three quotations are provided. If it is not

possible to obtain quotations of the relevant rate by at least three of the Reference Banks then the Calculation Agent will determine the relevant Underlying Rate at its sole and absolute discretion, which determination may be delayed for up to 180 days following the occurrence of an Emerging Market Disruption Event.

- (b) The Calculation Agent may make adjustments to the Conditions in order to account for any such event if it considers it appropriate to do so. The Calculation Agent shall, as soon as practicable after receipt of any written request to do so, advise a Holder of any determination made by it pursuant to this Product Condition 4 on or before the date of receipt of such request. The Calculation Agent shall make available for inspection by Holders copies of any such determination. In making any determinations and calculations in respect of the Securities, the Calculation Agent shall act at all times in good faith and a commercially reasonable manner.

5. EFFECT OF FINAL TERMS

The Final Terms applicable to any Series of Securities may specify amendments to these Product Conditions in so far as they apply to that Series. Notwithstanding the foregoing, consideration will be given as to whether such amendments constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus (as defined in the Final Terms) under Article 16 of Directive 2003/71/EC.

GENERAL CONDITIONS

The General Conditions which follow relate to the Securities and must be read in conjunction with, and are subject to, the Product Conditions and the Final Terms. The Final Terms, the Product Conditions and the General Conditions together constitute the Conditions of the Securities and will be printed on any Definitive Securities or attached to any Global Security representing the Securities.

1. DEFINITIONS

Terms in capitals which are not defined in these General Conditions shall have the meanings ascribed to them in the Product Conditions or the applicable Final Terms and, if not so defined, shall be inapplicable. References in these General Conditions to interest and Coupons (and related expressions) shall be ignored in the case of Securities which do not bear interest. References in these General Conditions to the Conditions shall mean these General Conditions and, in relation to any Securities, the Product Conditions applicable to those Securities.

2. STATUS

The Securities constitute unsecured and unsubordinated obligations of the Issuer and rank *pari passu* among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer save for those preferred by mandatory provisions of law.

3. EARLY TERMINATION

The Issuer shall have the right to terminate the Securities if it shall have determined in its absolute discretion that its performance thereunder shall have become unlawful in whole or in part as a result of compliance in good faith by the Issuer with any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative, legislative or judicial authority or power (“**Applicable Law**”). In such circumstances the Issuer will, however, if and to the extent permitted by the Applicable Law, pay to each Holder in respect of each Security held by such Holder an amount calculated by it as the fair market value of the Security immediately prior to such termination (ignoring such illegality) less the cost to the Issuer of unwinding any related hedging arrangements. Payment will be made to the Holder in such manner as shall be notified to the Holder in accordance with General Condition 4.

4. NOTICES

(a) **Validity.** Unless otherwise specified in the applicable Final Terms, announcements to Holders will be valid if delivered by the Issuer to the Clearing Agent(s) with an instruction from the Issuer to the Clearing Agent(s) to communicate such announcement to the Holders.

- (b) Delivery. Any such announcement issued pursuant to General Condition 4(a) shall be deemed to have been given on the date of such delivery or, if earlier, the date of any publication as required by any relevant stock exchange or any Relevant Clearing System or, if published more than once, on the date of the first such publication.

5. HEDGING DISRUPTION

- (a) Notification. The Issuer shall as soon as reasonably practicable give instructions to the Calculation Agent to notify the Holders in accordance with General Condition 4(a): (i) if it determines that a Hedging Disruption Event has occurred; and (ii) of the consequence of such Hedging Disruption Event as determined by the Issuer pursuant to General Condition 5(c).
- (b) Hedging Disruption Event. A “**Hedging Disruption Event**” shall occur if the Issuer acting in good faith and in a commercially reasonable manner, determines that it is or has become not reasonably practicable or it has otherwise become undesirable, for any reason, for the Issuer or any Hedge Provider wholly or partially (i) hold, acquire, to establish, re-establish, substitute, maintain, unwind or dispose of a relevant hedging transaction (a “**Relevant Hedging Transaction**”) or asset it deems necessary, appropriate or desirable to hedge the Issuer’s obligations in respect of the Securities or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s). The reasons for such determination by the Issuer may include, but are not limited to, the following:
 - (i) the Issuer or any Hedge Provider will, whether directly or indirectly, incur a material increase (as compared with circumstances existing on the Issue Date) in the amount of tax, duty, expense (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) or fee (other than brokerage commissions) provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer or the Hedge Provider shall not be considered for the purposes of this subparagraph (i); or
 - (ii) any material illiquidity in the market for, or any mandatory redemption in whole or in part of, the relevant instruments (the “**Disrupted Instrument**”) which from time to time are included in the reference asset to which the Securities relate; or
 - (iii) a change in any applicable law or regulation (including, without limitation, any tax law) or the promulgation of, or change in, the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority); or

- (iv) a material decline in the creditworthiness of a party with whom the Issuer has entered into any such Relevant Hedging Transaction; or
- (v) the general unavailability of: (A) market participants who will agree to enter into a Relevant Hedging Transaction; or (B) market participants who will so enter into a Relevant Hedging Transaction on commercially reasonable terms.

In the Conditions:

“Hedge Position” means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in reference assets to which the Securities relate, securities, options, futures, derivatives or foreign exchange, (ii) securities lending transactions or (iii) other instruments or arrangements (however described) by the Issuer in order to hedge the Issuer’s risk of issuing, and performing its obligations with respect to, the Securities; and

“Hedge Provider” includes but is not limited to the Issuer, any associate, subsidiary or affiliate thereof and/or The Royal Bank of Scotland plc and/or any other party(ies) and/or any special purpose vehicle(s) holding or entering into a Hedge Position in connection with the Issuer’s hedging arrangements in respect of the Securities.

- (c) Consequences. The Issuer, in the event of a Hedging Disruption Event, may determine to:
 - (i) terminate the Securities. In such circumstances the Issuer will, however, if and to the extent permitted by the Applicable Law, pay to each Holder in respect of each Security held by such Holder an amount calculated by it as the fair market value of the Security immediately prior to such termination less the cost to the Issuer of unwinding any related hedging arrangements. Where the Securities contain provisions which provide a minimum assured return of principal, howsoever expressed, on the Settlement Date or Maturity Date as applicable, or a minimum assured return of interest or coupons having regard to prevailing market rates, credit spreads and market liquidity, howsoever expressed, on a relevant Interest Payment Date (if applicable), any such amount to be paid under this General Condition shall not be less than the present value of such minimum assured return of principal and/or interest or coupons having regard to prevailing market rates, credit spreads and market liquidity, such present value being determined by the Calculation Agent. Payment will be made to the Holder in such manner as shall be notified to the Holder in accordance with General Condition 4;
 - (ii) make an adjustment in good faith to the relevant reference asset by removing the Disrupted Instrument at its fair market value (which may be zero). Upon any such removal the Issuer may: (A) hold any notional proceeds (if any) arising as a

consequence thereof and adjust the terms of payment and/or delivery in respect of the Securities; or (B) notionally reinvest such proceeds in other reference asset(s) if so permitted under the Conditions (including the reference asset(s) to which the Securities relate);

- (iii) make any other adjustment to the Conditions as it considers appropriate in order to maintain the theoretical value of the Securities after adjusting for the relevant Hedging Disruption Event. Where the Securities contain provisions which provide a minimum assured return of principal, howsoever expressed, on the Settlement Date or Maturity Date as applicable, or a minimum assured return of interest or coupons, howsoever expressed, on a relevant Interest Payment Date, any such adjustment will in no way affect the Issuer's obligations to make payment to the Holders not less than the minimum assured return of principal and/or interest or coupons on the relevant Settlement Date or Maturity Date, or Interest Payment Date, as applicable.
- (d) The Issuer may also make adjustments to the Conditions if it determines that an event has occurred which, whilst not a Hedging Disruption Event or other disruption event as specified in Product Condition 4, is likely to have a material adverse effect on the Issuer's Hedge Position. Where the Issuer makes adjustments to the Conditions pursuant to this General Condition 5(d), the Issuer shall notify the Holders thereof and shall offer to purchase from Holders for a period of not less than 10 days any Securities held by them at their fair market value (as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner and taking into account the proposed adjustment) less the cost to the Issuer of unwinding any related hedging arrangements.

6. PURCHASES, FURTHER ISSUES BY THE ISSUER AND PRESCRIPTION

- (a) **Purchases.** The Issuer or any affiliate may purchase Securities at any price in the open market or by tender or private treaty. Any Securities so purchased may be held, surrendered for cancellation or reissued or resold, and Securities so reissued or resold shall for all purposes be deemed to form part of the original series of Securities.
- (b) **Further Issues.** The Issuer shall be at liberty from time to time without the consent of the Holders or any of them to create and issue further securities so as to be consolidated with and form a single series with the Securities.
- (c) **Prescription.** Any Security or Coupon which is capable of presentation and is not so presented by its due date for presentation shall be void, and its value reduced to zero, if not so presented within five years of such due date. For the avoidance of doubt, any Securities which are subject to provisions relating to their exercise shall be void, and their value shall be zero, if not exercised in accordance with their provisions.

7. DETERMINATIONS AND MODIFICATIONS

(a) Determinations.

- (i) In making any determinations and calculations under these Conditions, the Issuer and the Calculation Agent shall act at all times in good faith and in a commercially reasonable manner. All such determinations and calculations by the Issuer and the Calculation Agent shall, in the absence of manifest error, be final and binding.
- (ii) Whilst it is intended that the Issuer and the Calculation Agent will employ the methodology described in the Conditions to make determinations in respect of the Securities, no assurance can be given that market, regulatory, judicial or fiscal circumstances or, without limitation, any other circumstances will not arise that would necessitate a modification or change in such methodology in order that the Securities replicate as closely as possible investments in the assets underlying the Securities and its components. The Issuer and the Calculation Agent may make any such modification or change to such methodology that it considers necessary to reflect such circumstances.
- (iii) Calculations made by the Issuer or the Calculation Agent in respect of the Securities shall be made on the days specified herein; however, notwithstanding the foregoing or anything else contained in these Conditions, should the Issuer or the Calculation Agent determine that in order to give effect to the methodology described in these Conditions it is necessary to make calculations on a day or days other than that specified, then each of the Issuer and the Calculation Agent is permitted to make such calculations on such calendar day or days as it shall determine.
- (iv) Due to timing considerations, process requirements and other matters that would, in the opinion of the Issuer or the Calculation Agent, be relevant in relation to the implementation of asset allocation models, the Issuer or the Calculation Agent may need to make appropriate adjustments to the methodology set out in the terms and conditions as it considers necessary in order to reflect the timing and amounts that would be applicable were the Issuer or the Calculation Agent physically implementing the methodology set out in the Securities.

- (b) **Modifications.** The Issuer may, without the consent of the Holders or any of them, modify any provision of the Conditions which is: (i) of a formal, minor or technical nature; (ii) made to correct a manifest error; or (iii) in its absolute discretion, not materially prejudicial to the interests of the Holders. Notice of any such modification will be given to the Holders in accordance with General Condition 4 but failure to give, or non-receipt of, such notice will not affect the validity of any such modification.

8. SUBSTITUTION

(a) Substitution of Issuer. The Issuer may at any time without the consent of the Holders substitute for itself as issuer of the Securities with regard to any and all rights, obligations and liabilities under and in connection with the Securities:

(A) The Royal Bank of Scotland plc, registered in Scotland under No. 90312, with its registered office at 36 St Andrew Square, Edinburgh EH2 2YB, ("**RBS**" or the "**Substitute**") subject to the Issuer having given at least 30 days' prior notice of the date of such substitution to the Holders in accordance with General Condition 4; or

(B) any entity other than RBS (also, the "**Substitute**"), subject to:

either (x):

(i) the Issuer having given at least 30 days' prior notice of the date of such substitution to the Holders in accordance with General Condition 4; and

(ii) the Issuer or RBS having issued a legal, valid and binding guarantee of the obligations and liabilities of the Substitute under the Securities for the benefit of each and any of the Holders;

or (y):

(i) the Issuer having given at least three months' prior notice of the date of such substitution to the Holders in accordance with General Condition 4; and

(ii) each Holder, from (and including) the date of such notice, to (and including) the date of such substitution, being entitled to terminate the Securities held by such Holder without any notice period in which event the Issuer will, if and to the extent permitted by Applicable Law, pay to such Holder with respect to each Security held by such Holder an amount calculated by the Issuer as the fair market value of the Security immediately prior to such termination less the cost to the Issuer of unwinding any related hedging arrangements. Where the Securities contain provisions which provide for a minimum assured return of principal or a minimum assured return of interest or other payments, howsoever expressed, on the Settlement Date or Maturity Date as applicable, or a minimum assured return of interest or coupons having regard to prevailing market rates, credit spreads and market liquidity, howsoever expressed, on a relevant Interest Payment Date (if applicable) any such amount to be paid shall not be less than the present value of the minimum assured return of principal and/or interest or coupons having regard to prevailing market rates, credit spreads and market liquidity,

such present value being determined by the Calculation Agent. Payment will be made to the Holder in such manner as shall be notified to the Holders in accordance with General Condition 4;

and in each case subject to all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Securities represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and being in full force and effect.

In the event of any substitution of the Issuer, any reference in the Conditions to the Issuer shall from such time be construed as a reference to the Substitute.

- (b) Substitution of Office. The Issuer shall have the right upon notice to the Holders in accordance with General Condition 4 to change the office through which it is acting and shall specify the date of such change in such notice.

9. TAXATION

The Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other similar payment which may arise as a result of the ownership, transfer or exercise of any Securities. In relation to each Security the relevant Holder shall pay all Expenses as provided in the Product Conditions. All payments or, as the case may be, deliveries in respect of the Securities will be subject in all cases to all applicable fiscal and other laws and regulations (including, where applicable, laws requiring the deduction or withholding for, or on account of, any tax duty or other charge whatsoever). The Holder shall be liable for and/or pay any tax, duty or charge in connection with the ownership of and/or any transfer, payment or delivery in respect of the Securities held by such Holder. The Issuer shall have the right, but shall not be obliged, to withhold or deduct from any amount payable such amount, as shall be necessary to account for or to pay any such tax, duty, charge, withholding or other payment.

10. REPLACEMENT OF SECURITIES AND COUPONS

If any Security or Coupon is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Principal Agent (or such other place of which notice shall have be given to Holders in accordance with General Condition 4) upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Securities and Coupons must be surrendered before replacements will be issued. This General Condition will not apply to Securities issued in dematerialised form.

11. ADJUSTMENTS FOR EUROPEAN MONETARY UNION

- (a) **Redenomination.** The Issuer may, without the consent of any Holder, on giving notice to the Holders in accordance with General Condition 4 elect that, with effect from the Adjustment Date specified in such notice, certain terms of the Securities shall be redenominated in euro. The election will have effect as follows:
- (i) where the Settlement Currency is the National Currency Unit of a country which is participating in the third stage of European Economic and Monetary Union pursuant to the Treaty, such Settlement Currency shall be deemed to be an amount of euro converted from the original Settlement Currency into euro at the Established Rate, subject to such provisions (if any) as to rounding as the Issuer may decide and as may be specified in the notice, and after the Adjustment Date, all payments in respect of the Securities will be made solely in euro as though references in the Securities to the Settlement Currency were to euro;
 - (ii) where the Conditions contain a rate of exchange or any of the Conditions are expressed in a National Currency Unit (the “**Original Currency**”) of a country which is participating in the third stage of European Economic and Monetary Union pursuant to the Treaty, such rate of exchange and/or any other terms of the Conditions shall be deemed to be expressed in or, in the case of a rate of exchange, converted for or, as the case may be into, euro at the Established Rate; and
 - (iii) such other changes shall be made to the Conditions as the Issuer may decide to conform them to conventions then applicable to instruments expressed in euro.
- (b) **Adjustment to Conditions.** The Issuer may, without the consent of the Holders, on giving notice to the Holders in accordance with General Condition 4 make such adjustments to the Conditions as the Issuer may determine to be appropriate to account for the effect of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Conditions.
- (c) **Euro Conversion Costs.** Notwithstanding General Condition 11(a) and/or General Condition 11(b), none of the Issuer, the Calculation Agent nor any Agent shall be liable to any Holder or other person for any commissions, costs, losses or expenses in relation to or resulting from the transfer of euro or any currency conversion or rounding effected in connection therewith.
- (d) **Definitions Relating to European Economic and Monetary Union.** In this General Condition, the following expressions have the meanings set out below.

“**Adjustment Date**” means a date specified by the Issuer in the notice given to the Holders pursuant to this Condition which falls on or after the date on which the country of the Original Company or, as the case may be, the Settlement Currency first participates in the third stage of European Economic and Monetary Union pursuant to the Treaty;

“**Established Rate**” means the rate for the conversion of the Original Currency or, as the case may be, the Settlement Currency (including compliance with rules relating to rounding in accordance with applicable European community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty;

“**National Currency Unit**” means the unit of the currency of a country as those units are defined on the day before the country first participates in the third stage of European Economic and Monetary Union pursuant to the Treaty; and

“**Treaty**” means the treaty establishing the European Community, as amended.

12. AGENTS

- (a) **Principal Agent and Agents.** The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint further or additional Agents, provided that no termination of appointment of the principal agent (the “**Principal Agent**”) shall become effective until a replacement Principal Agent shall have been appointed and provided that, if and to the extent that any of the Securities are listed on any stock exchange or publicly offered in any jurisdiction, there shall be an Agent having a specified office in each country required by the rules and regulation of each such stock exchange and each such jurisdiction and provided further that, if and to the extent that any of the Securities are in registered form, there shall be a Registrar and a Transfer Agent (which may be the Registrar), if so specified in the relevant Product Conditions. Notice of any appointment, or termination of appointment, or any change in the specified office, of any Agent will be given to Holders in accordance with General Condition 4. Each Agent acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders or any of them. Any calculations or determinations in respect of the Securities made by an Agent shall (save in the case of manifest error) be final, conclusive and binding on the Holders.
- (b) **Calculation Agent.** The Issuer acting through its address specified in the applicable Final Terms or such other Calculation Agent as specified in the applicable Final Terms, shall undertake the duties of calculation agent (the “**Calculation Agent**” which expression shall include any successor calculation agent or assignee as approved by the Issuer) in respect of the Securities unless the Issuer decides to appoint a successor Calculation Agent in accordance with the provisions below.

The Issuer reserves the right at any time to appoint another institution as the Calculation Agent provided that no termination of appointment of the existing Calculation Agent shall become effective until a replacement Calculation Agent shall have been appointed. Notice of any termination or appointment will be given to the Holders in accordance with General Condition 4.

The Calculation Agent acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. Any calculations or determinations in respect of the Securities made by the Calculation Agent (whether or not the Issuer) shall (save in the case of manifest error) be final, conclusive and binding on the Holders.

The Calculation Agent may, with the consent of the Issuer (if it is not the Issuer), delegate any of its obligations and functions to a third party as it deems appropriate.

13. SURRENDER OF UNMATURED COUPONS

Each Security should be presented for redemption, where applicable, together with all unmatured Coupons relating to it. Upon the due date for redemption of any Security, where applicable, all unmatured Coupons relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof. This General Condition will not apply to Securities issued in dematerialised form.

14. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the English Contracts (Rights of Third Parties) Act 1999 to enforce any Condition. The preceding sentence shall not affect any right or remedy of any person which exists or is available apart from that Act.

15. GOVERNING LAW AND JURISDICTION

- (a) The Conditions and any non-contractual obligations arising out of or in connection with the Securities, are governed by and shall be construed in accordance with English law.
- (b) The courts of England have exclusive jurisdiction to settle any dispute (including any dispute relating to any non-contractual obligations (a "**Dispute**") arising from or in connection with the Securities).
- (c) Subparagraph (b) is for the benefit of the Holders only. As a result, nothing prevents any Holder from taking proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, Holders may take concurrent Proceedings in any number of jurisdictions.

- (d) The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

16. METHOD OF PAYMENT

For purposes of any payment on a Security, the Clearing Agents may not be United States persons, as defined for United States Federal income tax purposes, and their respective specified offices may not be located in the United States or any of its possessions. No payment on a Security shall be made by transfer to an account in the United States (including its possessions) or by cheque mailed to an address in the United States (including its possessions).

17. COMMISSIONS, FEES AND REBATES

From time to time, the Issuer may make payments or receive the benefit of payments in relation to the issue of Securities including the following:

- (a) The Issuer may pay to a distributor, sales agent or other intermediary fees or commissions. Such fees or commissions are generally required to be disclosed by distributors, sales agents or intermediaries which, in each case, are EEA investment firms or credit institutions to their clients. Each potential investor in the Securities should satisfy itself as to the amount of any fees or commissions received by intermediaries;
- (b) The Issuer may receive or pay management or other fees from or to third parties. Where such fees are payable, further details of them will be set out in the relevant Final Terms; and
- (c) The Issuer may make payments to or receive the benefit of generic commission, discount and rebate arrangements from Hedge Providers and other transaction counterparties. Such arrangements will be as agreed between the Issuer and the third parties.

The Issuer reserves the right to retain any amounts received without any obligation to pass the benefit of the rebates to investors in the Securities.