

ROYAL BANK OF SCOTLAND GROUP PLC

Form FWP

October 31, 2012

News Release

RBS TRENDPILOT AND ALTERNATOR INDEX UPDATE

Stamford, CT, October 31, 2012

Due to the market disruptions resulting from Hurricane Sandy, RBS confirms the following regarding if and how index disruption events were applied to the RBS Trendpilot(TM) Indices and the RBS US Large Cap Alternator Index. RBS consulted with the respective index calculation agents prior to making these decisions.

RBS Oil Trendpilot(TM) Index

[ ] On Friday October 26(th), the RBS Oil Trendpilot(TM) Index (the "Index") had its 5(th) consecutive negative trend and as a result it was scheduled to switch from the RBS

12 Month Oil Total Return Index to the Cash Rate effective at the open of trading on the second immediate index business day following the 5(th) consecutive negative trend.

[ ] Monday October 29(th) and Tuesday October 30(th) were DISRUPTED DAYS for the RBS Oil Trendpilot(TM) Index. On both days, the NYMEX trading floor was closed and NYSE Arca, Inc. , the Index Calculation Agent, was unable to publish Index closing levels.

[ ] Wednesday October 31(st) will be considered an Index business day in the absence of any additional index disruption events. As a result the RBS Oil Trendpilot(TM) Index will implement the switch from the RBS 12 Month Oil Total Return Index to the Cash Rate effective at the open of trading on Thursday November 1(st) in the absence of further index disruption events.

RBS Gold Trendpilot(TM) Index

[ ] Monday October 29(th) and Tuesday October 30(th) were valid index business days for the RBS Gold Trendpilot(TM) Index. The LBMA PM Fixing did occur on Monday October 29(th) and again on Tuesday October 30(th). On Monday October 29(th), the CME

Treasury Bill futures were open for trading from 8:20 am ET to 12pm ET which is over three hours. On Tuesday October 30(th), the CME Treasury bill market was open for trading for its normal trading session.

RBS US Large Cap Trendpilot(TM) Index

RBS US Mid Cap Trendpilot(TM) Index

RBS NASDAQ-100([R]) Trendpilot(TM) Index

RBS China Trendpilot(TM) Index

RBS US Large Cap Alternator Index

[ ] Monday October 29(th) and Tuesday October 30(th) were index disruption days for these indices as US Equity markets were closed on Monday October 29(th) and Tuesday October 30(th).

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[ ] Wednesday October 31(st) will be considered to be a valid index business day for these indices in the absence of any additional index disruption events.

-Ends-

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