

Royal Bank of Scotland N.V.  
Form 424B2  
April 02, 2010

PRODUCT SUPPLEMENT  
(TO PROSPECTUS DATED APRIL 2, 2010

Product Supplement No. 4-II  
Registration Statement Nos. 333-162193 and  
333-162193-01

AND PROSPECTUS SUPPLEMENT  
DATED APRIL 2, 2010)

Dated April 2, 2010  
Rule 424(b)(2)

The Royal Bank of Scotland N.V.  
RBS Notes<sup>SM</sup>  
Senior Floating Rate Notes  
fully and unconditionally guaranteed by  
RBS Holdings N.V.

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CPI Rate Notes

The amount of interest payable on the CPI Rate Notes, which we will refer to as the “Notes,” will be linked in whole or in part to changes in the Consumer Price Index. Unless otherwise specified in the relevant Pricing Supplement, the Consumer Price Index for purposes of the Notes is the non-seasonally adjusted U.S. City Average All Items Consumer Price Index for All Urban Consumers reported monthly by the Bureau of Labor Statistics of the U.S. Department of Labor and reported on Bloomberg or any successor service.

Any payment on the Notes is subject to the creditworthiness (i.e., the ability to pay) of The Royal Bank of Scotland N.V. and RBS Holdings N.V., as guarantor.

This Product Supplement describes terms that will apply generally to the Notes and supplements the terms described in the accompanying Prospectus Supplement and Prospectus. A separate term sheet or pricing supplement, as the case may be, will describe terms that apply to any specific issue of Notes, including any changes to the terms specified below. We refer to such term sheets and pricing supplements generally as Pricing Supplements. If the terms described in the relevant Pricing Supplement are inconsistent with those described herein or in the accompanying Prospectus Supplement or Prospectus, the terms described in the relevant Pricing Supplement shall control.

The Notes are our unsecured and unsubordinated obligations and are fully and unconditionally guaranteed by RBS Holdings N.V.

The Notes are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other governmental agency.

The Notes involve risks not associated with an investment in conventional debt securities. See “Risk Factors” beginning on PS-5.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved these Notes, or determined if this Product Supplement, the Prospectus Supplement or Prospectus or any relevant Pricing Supplement are truthful or complete. Any representation to the contrary is a criminal offense.

The agents are not obligated to purchase the Notes but have agreed to use reasonable efforts to solicit offers to purchase the Notes. To the extent the full aggregate principal amount of the Notes being offered by the relevant Pricing Supplement is not purchased by investors in the offering, one or more of our affiliates may agree to purchase a part of the unsold portion, which may constitute up to 15% of the total aggregate principal amount of the Notes, and to

hold such Notes for investment purposes. See “Holding of the Notes by Our Affiliates and Future Sales” under the heading “Risk Factors” and “Plan of Distribution (Conflicts of Interest).” The relevant Pricing Supplement, this Product Supplement, the accompanying Prospectus Supplement and Prospectus may be used by our affiliates in connection with offers and sales of the Notes in market-making transactions.

RBS Securities Inc.

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In this Product Supplement, the “Bank,” “we,” “us” and “our” refer to The Royal Bank of Scotland N.V. and “Holding” refers to RBS Holdings N.V., our parent company. We refer to the Notes offered by the relevant Pricing Supplement and the related guarantees as the “Notes” and to each individual security offered thereby as a “Note.”

RBS Notes<sup>SM</sup> is a service mark of The Royal Bank of Scotland N.V.

Any Notes issued, sold or distributed pursuant to the relevant Pricing Supplement may not be offered or sold (i) to any person/entity listed on sanctions lists of the European Union, United States or any other applicable local competent authority; (ii) within the territory of Cuba, Sudan, Iran and Myanmar; (iii) to residents in Cuba, Sudan, Iran or Myanmar; or (iv) to Cuban Nationals, wherever located.

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## SUMMARY

The following summary answers some questions that you might have regarding the Notes in general terms only. It does not contain all the information that may be important to you. You should read the summary together with the more detailed information that is contained in the rest of this Product Supplement and in the accompanying Pricing Supplement, Prospectus and Prospectus Supplement. You should carefully consider, among other things, the matters set forth in “Risk Factors.” In addition, we urge you to consult with your investment, legal, accounting, tax and other advisors with respect to any investment in the Notes.

What are the Notes?

The Notes are senior notes issued by us, The Royal Bank of Scotland N.V., and are fully and unconditionally guaranteed by our parent company, RBS Holdings N.V. The Notes have a maturity that will be specified in the relevant Pricing Supplement. The Notes are floating rate debt securities paying a variable interest rate linked to changes in the Consumer Price Index, which we refer to as the CPI. Unless otherwise specified in the relevant Pricing Supplement, the CPI for purposes of the Notes is the non-seasonally adjusted U.S. City Average All Items Consumer Price Index for All Urban Consumers reported monthly by the Bureau of Labor Statistics of the U.S. Department of Labor and reported on Bloomberg or any successor service.

What will I receive at maturity of the Notes?

At maturity, you will receive, for each \$1,000 principal amount Note, a cash payment equal to \$1,000, plus accrued and unpaid interest (if any). Any payment on the Notes is subject to the creditworthiness of The Royal Bank of Scotland N.V., as issuer, and RBS Holdings N.V., as guarantor.

What interest payments can I expect on the Notes?

Unless otherwise specified in the relevant Pricing Supplement, the interest accrued for each interest payment period on the Notes will equal the product of the outstanding principal amount of the Notes, the interest rate and the number of days in the interest payment period (calculated on the basis of a year of 360 days with twelve months of thirty days each) divided by 360.

The interest rate for each interest payment period is a fixed rate or is linked to the change in the CPI as described below under “How is the interest rate calculated?” The interest rate will never be less than the minimum interest rate, regardless of changes in the CPI. The minimum interest rate will be specified in the relevant Pricing Supplement and will not be less than 0.00%. The relevant Pricing Supplement may also specify a maximum interest rate. If a maximum interest rate applies, the interest rate will never be greater than the maximum interest rate, regardless of changes in the CPI.

Unless otherwise specified in the relevant Pricing Supplement, accrued and unpaid interest on the Notes is payable in arrears on each interest payment date. The relevant Pricing Supplement will specify the interest payment periods and the interest payment dates. No interest payment date will be more than twelve months after the immediately prior interest payment date or the issue date of the Notes, as applicable.

How is the interest rate calculated?

For each interest payment period, the relevant Pricing Supplement will specify whether the interest rate is

- (a) the CPI rate (as described below) applicable to such interest payment period plus an additional amount of interest, referred to as the spread;
- (b) the CPI rate applicable to such interest payment period multiplied by a number, referred to as the spread multiplier; or
- (c) a fixed rate.

In no case will the interest rate for the Notes for any interest payment period be less than the minimum interest rate or, if applicable, greater than the maximum interest rate, regardless of changes in the CPI. The minimum interest rate will be at least 0.00%. The relevant Pricing Supplement will specify the spread, spread multiplier or fixed rate, as applicable, for each interest payment period. The interest rate will be linked to the CPI rate for one or more interest payment periods.

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The CPI rate for any interest payment period will be calculated on the interest determination date for such interest payment period, in accordance with the following formula:

$$\text{CPI rate} = \frac{\text{CPI}_t - \text{CPI}_{t-x}}{\text{CPI}_{t-x}}$$

where:

CPI<sub>t</sub> = CPI for a calendar month prior to the calendar month of the applicable interest reset date, which we refer to as the reference month, as specified in the relevant Pricing Supplement; and

CPI<sub>t-x</sub> = CPI for a calendar month prior to the applicable reference month, as specified in the relevant Pricing Supplement.

Can you give me an example of the interest rate payable on the Notes?

Please refer to the relevant Pricing Supplement for an example of the interest rate payable on the Notes.

Do I get all my principal back at maturity?

Subject to the creditworthiness of The Royal Bank of Scotland N.V., as the issuer of the Notes, and RBS Holdings N.V., as the guarantor of the issuer's obligations under the Notes, you will receive at maturity \$1,000 per \$1,000 principal amount of Notes. However, if you sell the Notes prior to maturity, you will receive the market price for the Notes, which may or may not include any return of principal. There may be little or no secondary market for the Notes. Accordingly, you should be willing to hold your Notes until maturity.

What is the minimum required purchase?

Unless otherwise specified in the relevant Pricing Supplement, you can purchase Notes in \$1,000 denominations or in integral multiples thereof.

Is there a secondary market for the Notes?

Unless otherwise specified in the relevant Pricing Supplement, the Notes will not be listed on any securities exchange. Accordingly, there may be little or no secondary market for the Notes and, as such, information regarding independent market pricing for the Notes may be extremely limited or non-existent. You should be willing to hold your Notes until the maturity date.

Although it is not required to do so, we have been informed by our affiliate that when this offering is complete, it intends to make purchases and sales of the Notes from time to time in off-exchange transactions. If our affiliate does make such a market in the Notes, it may stop doing so at any time.

In connection with any secondary market activity in the Notes, our affiliate may post indicative prices for the Notes on a designated website or via Bloomberg. However, our affiliate is not required to post such indicative prices and may stop doing so at any time. Investors are advised that any prices shown on any website or Bloomberg page are indicative prices only and, as such, there can be no assurance that any trade could be executed at such prices. Investors should contact their brokerage firm for further information.

In addition, the issue price of the Notes includes the selling agents' commissions paid with respect to the Notes and the cost of hedging our obligations under the Notes. The cost of hedging includes the profit component that our affiliate has charged in consideration for assuming the risks inherent in managing the hedging of the transactions. The fact that the issue price of the Notes includes these commissions and hedging costs is expected to adversely affect the secondary market prices of the Notes. See "Risk Factors — The Inclusion of Commissions and Cost of Hedging in the Issue Price is Likely to Adversely Affect Secondary Market Prices" and "Use of Proceeds."

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What is the tax treatment of the Notes?

Notes comprising each issuance under this Product Supplement will be treated either as “contingent payment debt instruments” or as “variable rate debt instruments” for U.S. federal income tax purposes, depending on the terms of such Notes and current and expected future levels of the CPI at the time of issuance. See “U.S. Federal Income Tax Consequences” for discussion of these treatments. Each Pricing Supplement will indicate the expected treatment of the Notes offered pursuant to that Pricing Supplement.

See “U.S. Federal Income Tax Consequences” for additional discussion regarding the U.S. federal income tax treatment of the Notes.

What is the CPI?

The CPI for purposes of the Notes is the non-seasonally adjusted U.S. City Average All Items Consumer Price Index for All Urban Consumers, reported monthly by the Bureau of Labor Statistics of the U.S. Department of Labor (the “BLS”) and published on Bloomberg CPURNSA or any successor source. You should read “Public Information Regarding the CPI” in this Product Supplement for additional information regarding the CPI.

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

The Royal Bank of Scotland N.V. is the new name of ABN AMRO Bank N.V. RBS Holdings N.V. is the new name of ABN AMRO Holding N.V. See “The Royal Bank of Scotland N.V. and RBS Holdings N.V.” in the accompanying prospectus dated April 2, 2010.

What is the relationship between The Royal Bank of Scotland N.V., RBS Holdings N.V. and RBS Securities Inc.?

RBS Securities Inc., which we refer to as RBSSI, is an affiliate of The Royal Bank of Scotland N.V. and RBS Holdings N.V. RBSSI will act as calculation agent for the Notes, and is acting as agent for this offering. RBSSI will conduct this offering in compliance with the requirements of NASD Rule 2720 of the Financial Industry Regulatory Authority, which is commonly referred to as FINRA, regarding a FINRA member firm’s distribution of the securities of an affiliate. See “Risk Factors — Potential Conflicts of Interest between Holders of Notes and the Calculation Agent” and “Plan of Distribution (Conflicts of Interest)” in this Product Supplement.

Who will determine the CPI rate and the interest rate on each interest determination date?

We have appointed our affiliate, RBS Securities Inc., which we refer to as RBSSI, to act as calculation agent for the Notes. As calculation agent, RBSSI will determine the interest rate and, if applicable, the CPI rate on each interest determination date. The calculation agent may be required, due to events beyond our control, to adjust any of these calculations, which we describe “Description of Notes — Discontinuance of the CPI; Alteration of Method of Calculation.”

Who invests in the Notes?

The Notes are not suitable for all investors. The Notes might be considered by investors who:

- prefer an investment that returns the principal amount at maturity, subject to the creditworthiness of the Bank, as issuer of the Notes, and Holding, as the guarantor of the Bank’s obligations under the Notes;



- are willing to accept the risk that a decrease in the CPI may result in an interest rate equal to the minimum interest rate, which could be zero; and
- are willing to hold the Notes until maturity.

You should carefully consider whether the Notes are suited to your particular circumstances before you decide to purchase them. In addition, we urge you to consult with your investment, legal, accounting, tax and other advisors with respect to any investment in the Notes.

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What are some of the risks in owning the Notes?

Investing in the Notes involves a number of risks. We have described the most significant risks relating to the Notes under the heading “Risk Factors” in this Product Supplement, which you should read before making an investment in the Notes.

Some selected risk considerations include:

- **CPI Risk.** Because the interest rate payable on the Notes for some or all interest payment periods will be linked to changes in the CPI, if the level of the CPI decreases or does not increase, you may receive lower or no interest for one or more interest payment periods. Additionally, if the Bureau of Labor Statistics changes the way the CPI is calculated, this may also result in lower or no interest payments on the Notes. The interest rate paid on the Notes and consequently the value of the Notes may be less than the rate on interest rate debt securities with the same maturity issued by us or an issuer with a comparable credit rating.
- **Credit Risk.** Because you are purchasing a security from us, you are assuming our credit risk. In addition, because the Notes are fully and unconditionally guaranteed by Holding, you are also assuming the credit risk of Holding in the event that we fail to make any payment required by the terms of the Notes. This means that if The Royal Bank of Scotland N.V. or Holding fail, become insolvent or are otherwise unable to pay their obligations under the Notes, you could lose some or all of your initial principal investment.
- **Liquidity Risk.** Unless otherwise specified in the relevant Pricing Supplement, the Notes will not be listed on any securities exchange. Accordingly, there may be little or no secondary market for the Notes and information regarding independent market pricing for the Notes may be very limited or non-existent. If you sell your Notes in the secondary market, if any, prior to maturity, you will receive the market price of the Notes, which could be zero. The value of the Notes in the secondary market, if any, will be subject to many unpredictable factors, including then prevailing market conditions. Since the issue price includes and secondary market transactions are likely to exclude the agents’ commissions paid with respect to the Notes and the cost of hedging our obligations under the Notes, the secondary market prices of the Notes are expected to be adversely affected.

What if I have more questions?

You should read “Description of Notes” in this Product Supplement for a detailed description of the general terms of the Notes. The relevant Pricing Supplement will describe the terms that apply specifically to the Notes. The Notes are senior notes issued as part of our RBS Notes<sup>SM</sup> program and guaranteed by Holding. The Notes offered by us will constitute our unsecured and unsubordinated obligations and rank pari passu without any preference among them and with all our other present and future unsecured and unsubordinated obligations. The guarantee of Holding will constitute Holding’s unsecured and unsubordinated obligation and rank pari passu without any preference among them and with all Holding’s other present and future unsecured and unsubordinated obligations. You can find a general description of our RBS Notes<sup>SM</sup> program in the accompanying Prospectus Supplement. We also describe the basic features of this type of note in the sections of the accompanying Prospectus Supplement called “Description of Notes” and “Notes Linked to Commodity Prices, Single Securities, Economic or Financial Measures and Baskets or Indices Thereof.”

You may contact our principal executive offices at Gustav Mahleraan 10, 1082 PP Amsterdam, The Netherlands. Our telephone number is (31-20) 628-9393.

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## RISK FACTORS

This section describes the most significant risks relating to the Notes. For a discussion of certain general risks associated with your investment in the Notes, please refer to the section entitled “Risk Factors” beginning on page S-2 of the accompanying Prospectus Supplement. You should carefully consider whether the Notes are suited to your particular circumstances before you decide to purchase them. In addition, we urge you to consult with your investment, legal, accounting, tax and other advisors with respect to any investment in the Notes.

### The Notes Are Not Ordinary Senior Notes; the Interest Rate on the Notes Could Be Zero

The terms of the Notes differ from those of ordinary debt securities in that interest rate on the Notes for some or all interest payment periods will be linked to changes in the level of the CPI determined each interest payment period over the term of the Notes.

For interest payment periods where the interest rate includes a spread, investors in the Notes will receive an interest payment for the applicable interest payment period equal to the change in the CPI over the relevant measurement period, whether positive or negative, plus a spread, as set forth in the relevant Pricing Supplement. If the CPI neither increases nor decreases during a relevant measurement period, which is likely to occur when there is little or no inflation or deflation, you will receive interest payments for that interest payment period equal to the spread. In the event of a decrease in the CPI over the relevant measurement period, such as in periods of deflation, an investor in the Notes will receive an interest payment for the applicable interest payment period that is less than the spread (but not less than the minimum interest rate). If the CPI declines over the relevant measurement period by an amount equal to or greater than the spread, which is likely to occur when there is significant deflation, investors in the Notes will not receive an interest payment with respect to that interest payment period. In that event, with respect to such interest payment periods, you will not be compensated for any loss in value due to inflation and other factors relating to the value of money over time.

For interest payment periods where the interest rate includes a spread multiplier, investors in the Notes will receive an interest payment for the applicable interest payment period equal to the increase in the CPI over the relevant measurement period, if any, times the spread multiplier, as set forth in the relevant Pricing Supplement. Therefore, in the event of a decrease in the CPI (or no change in the CPI) over the relevant measurement period, such as in periods of deflation, an investor in the Notes will not receive an interest payment with respect to that interest payment period. In that event, with respect to such interest payment periods, you will not be compensated for any loss in value due to inflation and other factors relating to the value of money over time.

### The Amount Of Interest Payable On The Notes In Any Interest Payment Period May Be Capped

If the relevant Pricing Supplement specifies a maximum interest rate, the interest rate on the Notes will be capped for at the maximum interest rate, regardless of changes in the CPI. Accordingly, in periods of moderate to high inflation, as measured by the CPI, you may not receive the full benefit of the increase in the CPI for corresponding interest payment period due to the maximum interest rate.

### The Interest Rate on the Notes May Be Below the Rate Otherwise Payable on Similar Floating Rate Securities Issued by Us

The interest rate and therefore the value of the Notes is based on the level of the CPI as determined on the applicable interest determination date. If the level of the CPI decreases, does not change or does not sufficiently increase, your return on the Notes may be less than returns on similar floating rate securities with the same maturity issued by us that

are not linked to the CPI. You should consider, among other things, the overall annual percentage rate of interest to maturity as compared to other equivalent investment alternatives. We have no control over the fluctuations in the value of the CPI.

**The Interest Rate On The Notes May Not Reflect The Actual Levels Of Inflation Affecting You**

The CPI is just one measure of inflation and may not reflect the actual levels of inflation affecting you. Accordingly, an investment in the Notes may not fully offset any inflation actually experienced by investors in the Notes.

**The Historical Levels of the CPI Are Not an Indication of the Future Levels of the CPI**

The historical levels of the CPI are not an indication of the future levels of the CPI over the term of the Notes. In the past, the CPI has experienced periods of volatility and such volatility may occur in the future. Fluctuations and trends in the CPI that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur in the future.

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Except for those interest payment periods, if any, for which the applicable interest rate is a fixed rate, you will receive interest payments that will be affected by changes in the CPI. Such changes may be significant. Changes in the CPI are a function of the changes in specified consumer prices over time, which result from the interaction of many factors over which we have no control.

#### The CPI Itself and the Way It Is Calculated May Change in the Future Which Could Adversely Affect the Value of the Notes

Except for those interest payment periods, if any, for which the applicable interest rate is a fixed rate, your interest rate is based on the CPI. There can be no assurance that the Bureau of Labor Statistics of the U.S. Labor Department, which we refer to as the BLS, will not change the method by which it calculates the CPI. Changes in the way the CPI is calculated could reduce the level of the CPI and lower the interest payments with respect to the Notes. Accordingly, the amount of interest, if any, payable on the Notes, and therefore the value of the Notes, may be significantly reduced. In addition, if the CPI is substantially altered, or discontinued, a substitute index may be employed to calculate the interest payable on the Notes, as described in “Description of Notes – Discontinuance of the CPI; Alteration of Method of Calculation” below, and that substitution may also adversely affect the value of the Notes. We have no control over the way the CPI is calculated.

#### Credit Risk of The Royal Bank of Scotland N.V. and RBS Holdings N.V., and their Credit Ratings and Credit Spreads May Adversely Affect the Market Value of the Notes

You are dependent on The Royal Bank of Scotland N.V.’s ability to pay all amounts due on the Notes, and therefore you are subject to the credit risk of The Royal Bank of Scotland N.V. and to changes in the market’s view of The Royal Bank of Scotland N.V.’s creditworthiness. In addition, because the Notes are unconditionally guaranteed by The Royal Bank of Scotland N.V.’s parent company, RBS Holdings N.V., you are also dependent on the credit risk of RBS Holdings N.V. in the event that The Royal Bank of Scotland N.V. fails to make any payment required by the terms of the Notes. Any actual or anticipated decline in The Royal Bank of Scotland N.V. or RBS Holdings N.V.’s credit ratings or increase in their credit spreads charged by the market for taking credit risk is likely to adversely affect the value of the Notes.

Our credit ratings are an assessment, by each rating agency, of our ability to pay our obligations, including those under the Notes. Credit ratings are subject to revision, suspension or withdrawal at any time by the assigning rating organization in their sole discretion. However, because the return on the Notes is dependent upon factors in addition to our ability to pay our obligations under the Notes, an improvement in our credit ratings will not necessarily increase the market value of the Notes and will not reduce market risk and other investment risks related to the Notes. Credit ratings (i) do not reflect market risk, which is the risk that the level of the Consumer Price Index may remain unchanged or fall so that you receive no return on the Notes, (ii) do not address the price, if any, at which the Notes may be resold prior to maturity (which may be substantially less than the issue price of the Notes) and (iii) are not recommendations to buy, sell or hold the Notes. See “Risk Factors — Market Price of the Notes Influenced by Many Unpredictable Factors.”

#### Although We Are a Bank, the Notes Are Not Bank Deposits and Are Not Insured or Guaranteed by the Federal Deposit Insurance Corporation, The Deposit Insurance Fund or Any Other Government Agency

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

Unless Otherwise Specified in the Relevant Pricing Supplement, the Notes Will Not be Listed on Any Securities Exchange; Secondary Trading May Be Limited

You should be willing to hold your Notes until the maturity date. Unless otherwise specified in the relevant Pricing Supplement, the Notes will not be listed on any securities exchange; accordingly, there may be little or no secondary market for the Notes and information regarding independent market pricing for the Notes may be very limited or non-existent. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the Notes easily. Our affiliate has informed us that, upon completion of the offering, it intends to purchase and sell the Notes from time to time in off-exchange transactions, but it is not required to do so. If our affiliate does make such a market in the Notes, it may stop doing so at any time. In addition, the total principal amount of the Notes being offered by the relevant Pricing Supplement may not be purchased by investors in the offering, and one or more of our affiliates may agree to purchase a part of the unsold portion, which may constitute up to 15% of the total aggregate principal amount of the Notes. Such affiliate or affiliates intend to hold the Notes for investment purposes, which may affect the supply of Notes available for secondary trading and therefore adversely affect the price of the Notes in any secondary trading. If a substantial portion of any Notes held by our affiliates were to be offered for sale following this offering, the market price of such Notes could fall, especially if secondary trading in such Notes is limited or illiquid.

### Market Price of the Notes Are Influenced by Many Unpredictable Factors

The market price of the Notes may move up and down between the date you purchase them and the maturity date. Many economic and market factors will influence the market price of the Notes. We expect that, generally, the level of the CPI on any day will affect the market price of the Notes more than any other single factor. However, you should not expect the market price of the Notes in the secondary market to vary in proportion to changes in the level of the CPI. The market price of the Notes will be affected by a number of other factors that may either offset or magnify each other, including

- the expected volatility in the CPI;
- interest and yield rates in the market, and the volatility of those rates;
- economic, financial, political, regulatory or judicial events that affect consumer prices generally;
- the time remaining to the maturity of the Notes;
- the creditworthiness of the Bank, as issuer of the Notes, and Holding, as the guarantor of the Bank's obligations under the Notes. Any person who purchases the Notes is relying upon the creditworthiness of the Bank and Holding and has no rights against any other person. The Notes constitute the general, unsecured and unsubordinated contractual obligations of the Bank and Holding.

Factors that may affect the CPI include:

- general economic, financial, political or regulatory conditions;
- fluctuations in the prices of various consumer goods and energy resources; and
- inflation and expectations concerning inflation.

These factors interrelate in complex ways, and the effect of one factor on the market price of your Notes may offset or enhance the effect of another factor. You cannot predict the future performance of the CPI based on its historical performance. The CPI may decrease such that you may receive a minimal or no return on your investment.

Some or all of these factors will influence the price that you will receive if you sell your Notes prior to maturity in the secondary market, if any. If you sell your Notes prior to maturity, the price at which you are able to sell your Notes may be at a discount, which could be substantial, from the principal amount. Thus, if you sell your Note before maturity, you may not receive back your entire principal amount.

### The Inclusion of Commissions and Cost of Hedging in the Issue Price Is Likely to Adversely Affect Secondary Market Prices

Assuming no change in market conditions or any other relevant factors, the price, if any, at which the selling agents are willing to purchase Notes in secondary market transactions will likely be lower than the issue price, since the issue price included, and secondary market prices are likely to exclude, commissions paid with respect to the Notes, as well as the profit component included in the cost of hedging our obligations under the Notes. In addition, any such prices may differ from values determined by pricing models used by the selling agents, as a result of dealer discounts, mark-ups or other transaction costs.



**Hedging and Trading Activities by Us or Our Affiliates Could Affect Market Prices of the Notes; No Security Interest in Securities or Other Financial Instruments Held by Us**

We and our affiliates may carry out hedging activities that minimize our risks related to the Notes, including trading in instruments linked to the CPI. In particular, on or prior to the date of the relevant Pricing Supplement, we, through our affiliates, hedged our anticipated exposure in connection with the Notes by taking positions in inflation-linked United States treasury bonds and/or other instruments that we deemed appropriate in connection with such hedging.

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Through our affiliates, we may modify our hedge position during the life of the Notes by purchasing and selling inflation-linked United States treasury bonds or positions in other securities or instruments that we may wish to use in connection with such hedging. We cannot give any assurance that we have not or will not affect such value as a result of our hedging or trading activities and it is possible that we or one of more of our affiliates could receive substantial returns from these hedging activities while the market price of the Notes may decline.

The indenture governing the Notes does not contain any restrictions on our ability or the ability of any of our affiliates to sell, pledge or otherwise convey all or any portion of the securities or other instruments acquired by us or our affiliates. Neither we nor Holding nor any of our affiliates will pledge or otherwise hold those securities or other instruments for the benefit of you. Consequently, in the event of a bankruptcy, insolvency or liquidation involving us or Holding, as the case may be, any of those securities or instruments that we or Holding own will be subject to the claims of our creditors or Holding's creditors generally and will not be available specifically for the benefit of the you.

#### Potential Conflicts of Interest between Note Holders and the Calculation Agent

Our affiliate, RBSSI, will serve as the calculation agent. RBSSI will, among other things, determine the interest rate and, if applicable, the CPI rate on each interest determination date. RBSSI and other affiliates may carry out hedging activities related to the Notes, including trading in instruments related to the CPI. RBSSI and some of our other affiliates also trade those instruments on a regular basis as part of their general broker-dealer businesses. Any of these activities could influence RBSSI's determinations as calculation agent. RBSSI is an affiliate of The Royal Bank of Scotland N.V.

Moreover, the issue price of the Notes includes the agents' commissions and certain costs of hedging our obligations under the Notes. Our affiliates through which we hedge our obligations under the Notes expect to make a profit. Since hedging our obligations entails risk and may be influenced by market forces beyond our affiliates' control, such hedging may result in a profit that is more or less than initially projected.

#### Holdings of the Notes by Our Affiliates and Future Sales

Certain of our affiliates may purchase for investment a portion of the Notes that has not been purchased by investors in a particular offering of Notes, which initially they intend to hold for investment purposes. As a result, upon completion of such an offering, our affiliates may own up to 15% of the aggregate principal amount of the Notes. Circumstances may occur in which our interests or those of our affiliates could be in conflict with your interests. For example, our affiliates may attempt to sell the Notes that they had been holding for investment purposes at the same time that you attempt to sell your Notes, which could depress the price, if any, at which you can sell your Notes. Moreover, the liquidity of the market for the Notes, if any, could be substantially reduced as a result of our affiliates holding the Notes. See "— The Notes Will Not be Listed on any Securities Exchange; Secondary Trading May Be Limited." In addition, our affiliates could have substantial influence over any matter subject to consent of the security holders.

PUBLIC INFORMATION REGARDING THE CPI

The CPI for purposes of the Notes is the non-seasonally adjusted U.S. City Average All Items Consumer Price Index for All Urban Consumers, reported monthly by the Bureau of Labor Statistics of the U.S. Department of Labor (the “BLS”) and published on Bloomberg CPURNSA or any successor source. The CPI for a particular month is published during the following month. The CPI is a measure of the average change in consumer prices over time for a fixed market basket of goods and services, including food, clothing, shelter, fuels, transportation, charges for doctors’ and dentists’ services and drugs. In calculating the CPI, price changes for the various items are averaged together with weights that represent their importance in the spending of urban households in the United States. The contents of the market basket of goods and services and the weights assigned to the various items are updated periodically by the BLS to take into account changes in consumer expenditure patterns. The CPI is expressed in relative terms in relation to a time base reference period for which the level is set at 100.0. The base reference period for these notes is the 1982-1984 average.

Disclaimer by Us, Holding and the Calculation Agent

All information in this Product Supplement relating to the CPI is derived from publicly available information released by the BLS and other public sources. Neither we nor Holding nor the Calculation Agent has independently verified any such information. Neither we nor Holding nor the Calculation Agent shall have any responsibility for any error or omissions in the calculation and publication of the CPI by the BLS.

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DESCRIPTION OF NOTES

Capitalized terms not defined herein have the meanings given to such terms in the accompanying Prospectus Supplement. The term “Note” refers to each CPI Rate Note, which are fully and unconditionally guaranteed by Holding.

Pricing Date	As specified in the relevant Pricing Supplement.
Issue Price	Unless otherwise specified in the relevant Pricing Supplement, 100%.
Maturity Date	As specified in the relevant Pricing Supplement, subject to postponement as described below and as described under “Description of Notes — Fixed Rate Notes — If a Payment Date Is not a Business Day” in the accompanying Prospectus Supplement.
Specified Currency	U.S. Dollars
Denominations	Unless otherwise specified in the relevant Pricing Supplement, the Notes may be purchased in minimum denominations of \$1,000 and integral multiples thereof.
Form of Notes	The Notes will be represented by a single registered global security, deposited with the Depository Trust Company.
Guarantee	The payment obligations of The Royal Bank of Scotland N.V. under the Notes, when and as they shall become due and payable, whether at maturity or upon acceleration, are fully and unconditionally guaranteed by RBS Holdings N.V.
Payment at Maturity	For each \$1,000 principal amount Note, a cash payment equal to \$1,000, plus accrued and unpaid interest (if any).
Interest	Unless otherwise specified in the relevant Pricing Supplement, the Interest accrued for each Interest Payment Period on the Notes will equal the product of the outstanding principal amount of the Notes, the Interest Rate and the number of days in the Interest Payment Period (calculated on the basis of a year of 360 days with twelve months of thirty days each) divided by 360.
Interest Rate	For each Interest Payment Period, the relevant Pricing Supplement will specify whether the Interest Rate is <ul style="list-style-type: none"> <li>(a) the CPI Rate applicable to such Interest Payment Period plus an additional amount of interest, referred to as the Spread;</li> <li>(b) the CPI Rate applicable to such Interest Payment Period multiplied by a number, referred to as the Spread Multiplier; or</li> <li>(c) a Fixed Rate.</li> </ul> In no case will the Interest Rate for the Notes for any Interest Payment Period be less than the Minimum Interest Rate or, if applicable, greater than the Maximum Interest Rate, regardless of changes in the CPI. The Minimum Interest Rate will be at least

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0.00%. The Interest Rate will be linked to the CPI Rate for one or more Interest Payment Periods.

CPI Rate

The CPI Rate for any Interest Payment Period will be calculated on the Interest Determination Date for such Interest Payment Period, in accordance with the following formula:

$$\text{CPI Rate} = \frac{\text{CPI}_t - \text{CPI}_{t-x}}{\text{CPI}_{t-x}}$$

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where:

$CPI_t$  = CPI for a calendar month prior to the calendar month of the applicable Interest Reset Date, which we refer to as the reference month, as specified in the relevant Pricing Supplement; and

$CPI_{t-x}$  = CPI for a calendar month prior to the applicable reference month, as specified in the relevant Pricing Supplement.

If by 3:00 p.m., New York City time, on any Interest Determination Date, the CPI is not published on Bloomberg screen CPURNSA for any relevant month, but has otherwise been reported by the BLS, then the Calculation Agent will determine the CPI as reported by the BLS for such month using such other source as on its face, after consultation with us, appears to accurately set forth the CPI as reported by the BLS.

In calculating  $CPI_t$  and  $CPI_{t-x}$ , the Calculation Agent will use the most recently available value of the CPI determined as described above and in the relevant Pricing Supplement on the applicable Interest Determination Date, even if such value has been adjusted from a previously reported value for the relevant month. However, if a value of  $CPI_t$  or  $CPI_{t-x}$  used by the Calculation Agent on any Interest Determination Date to determine the Interest Rate on the Notes is subsequently revised by the BLS, the Interest Rate determined on such Determination Date will not be revised.

If the CPI is rebased to a different year or period and the 1982-1984 CPI is no longer used, the base reference period for the Notes will continue to be the 1982-1984 reference period as long as the 1982-1984 CPI continues to be published.

CPI	Unless otherwise specified in the relevant Pricing Supplement, the CPI for purposes of the Notes is the non-seasonally adjusted U.S. City Average All Items Consumer Price Index for All Urban Consumers reported monthly by the Bureau of Labor Statistics of the U.S. Department of Labor and reported on Bloomberg or any successor service.
Spread	If applicable, as specified in the relevant Pricing Supplement for each Interest Payment Period.
Spread Multiplier	If applicable, as specified in the relevant Pricing Supplement for each Interest Payment Period.
Fixed Rate	If applicable, as specified in the relevant Pricing Supplement for each Interest Payment Period.
Minimum Interest Rate	As specified in the relevant Pricing Supplement, but not less than 0.00%.
Maximum Interest Rate	If applicable, as specified in the relevant Pricing Supplement.
Interest Payment Dates	As specified in the relevant Pricing Supplement. No Interest Payment Date will be more than twelve months after the immediately prior Interest Payment Date or the issue date of the Notes, as applicable.

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- Interest Payment Periods The period beginning on and including the issue date of the Notes and ending on but excluding the first Interest Payment Date, and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date, or as specified in the relevant Pricing Supplement.
- Interest Reset Dates Unless otherwise specified in the relevant Pricing Supplement, the first day of each Interest Payment Period, commencing on the issue date of the Notes, provided that if an Interest Reset Date is not a business day, it will be postponed to the next succeeding business day.
- Interest Determination Dates Unless otherwise specified in the relevant Pricing Supplement, each Interest Reset Date.

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Trustee

Wilmington Trust Company