

# Emerging Markets Tracker



The Emerging Markets Tracker (the 'Certificate') tracks the performance of the MSCI Emerging Markets Price Index (the 'Index'). The Index reflects the share price performance of the shares of the largest publicly traded companies in a variety of emerging markets. The Certificate is listed on the London Stock Exchange, and can be traded just like a share.

## Product information

Classification	Index-linked Certificate
Issuer	The Royal Bank of Scotland plc ('RBS')
Underlying	MSCI Emerging Markets Price Index
Issue Date	16 December 2009
Valuation Date	16 December 2019
Maturity Date	24 December 2019
Starting Index Level	975.01
Issue Price	£100 per certificate
Final Index Level	The level of the Underlying on the Valuation Date
Minimum trade size	One size
Currency	Pounds Sterling
Annual Management Charge	None
Initial FX Rate	1.6014 US Dollar per £1
Final FX Rate	The Sterling/US Dollar exchange rate as quoted on Bloomberg Page WMCO (currently published around 4pm London time) on the Valuation Date.
Settlement	Cash settlement only
Pricing Information	Daily real time
TIDM	RB15
SEDOL	B4XTW83
ISIN	GB00B4XTW837

### Speak to us

If you would like to learn more about RBS Listed Products, our team can help you. Please do not hesitate to contact us.

### To find out more

Call 0800 121 6286 or visit [rbs.co.uk/markets](https://rbs.co.uk/markets)

### Key benefits

- Track the performance of the Index over the life of the Certificate
- There is no annual management fee
- Daily pricing at [rbs.co.uk/markets](https://www.rbs.co.uk/markets), the London Stock Exchange or through your stockbroker. There is a 1% bid/ask spread under normal market conditions

### Key risks

- Your investment will be at risk if the level of the Index on the Valuation Date in December 2019 is below its Starting Index Level or if Sterling increases in value against the US Dollar. In either case you could lose some or all of your investment
- In the unlikely event that The Royal Bank of Scotland plc ('RBS') were to default or become insolvent, you may lose some or all of your investment and you will not be entitled to compensation from the UK Financial Services Compensation Scheme
- The market price of the Emerging Markets Tracker may rise and fall during its life. If you sell the Certificate before the Maturity Date, you may get back less than you originally invested
- Your investment will expose you to currency exchange rate risks which will affect the value of your investment. In the event that the value of Sterling increases relative to US Dollar, you may lose some or all of your investment even if the level of the Index has increased
- RBS can redeem the Certificates early at any time after the Issue Date upon three business days' notice at their then current value. This value may be greater or less than their initial Issue Price or even zero

**Additional risks and considerations which you should take into account before deciding whether to invest in the Certificates are summarised on page 4 below.**

### Calculating the value of the Certificate

The Emerging Markets Tracker is designed to track the performance of the MSCI Emerging Markets Price Index over a ten year period. The value of the Certificate is re-calculated on each trading day, based on the level of the Index and the Sterling/US Dollar exchange rate.

At the end of the ten year life of the Emerging Markets Tracker, the return you receive will be based on the rise or fall of the Index over the 10 year life of the Certificate and the change in the Sterling/US Dollar exchange rate. For example, if the Index rises 20% from its Starting Index Level to its level on the Valuation Date and the Sterling/US Dollar exchange rate is unchanged, you will receive back 120% of the Issue Price (gross). This is calculated as the Final Index Level divided by the Starting Index Level.

Alternatively, if the Index has fallen by 20% from its Starting Index Level and the Sterling/US Dollar exchange rate is unchanged your capital will be reduced and you will receive back a total of 80% (gross) of the Issue Price.

**These examples assume the Sterling/US Dollar exchange rate remains constant. Please see the paragraph 'Exchange Rate Risks' below for details of how changes to the Sterling/US Dollar exchange rate might affect your investment.**

### Exchange Rate Risks

In the event that the value of Sterling increases relative to the US Dollar, you may lose some or all of your investment. For example, if the Final Index Level is the same as the Starting Index Level but the FX Rate on the Valuation Date is 5% greater than the FX Rate on the Issue Date (i.e. the value of Sterling relative to US Dollar has increased by 5%) the value of your investment will be 5% lower. In this example you would receive 95% of the Issue Price.

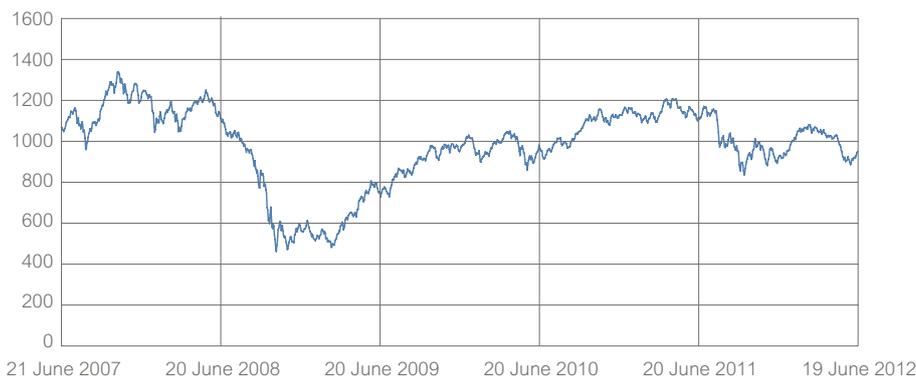
### About the Index

The MSCI Emerging Markets Price Index is a free float-adjusted market capitalisation index that is designed to measure equity market performance of emerging markets. As of 30 May 2011 the MSCI Emerging Markets Price Index consisted of the following 21 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey. Market capitalisation is calculated by multiplying the number of shares of a particular company by the current share price.

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### Index performance

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Source: Bloomberg, 20 June 2012

Please note: This information refers to past performance and past performance is not a reliable indication of future performance.

### Eligibility

The Certificate can be held as a direct investment, in a SIPP (Self Invested Personal Pension) or SSAS (Small Self Administered Scheme) pension wrapper, subject to acceptance by the provider, or in an ISA (Individual Savings Account), (provided the remaining life of the Certificate is greater than five years at the time of purchase).

### How to trade

The Emerging Markets Tracker is listed on the London Stock Exchange and, in normal market conditions, can be traded like a share on any trading day through your stockbroker. It has a 1% bid/ask spread under normal market conditions and the minimum trade size is one Certificate. Transaction charges will apply from your stockbroker.

### Further risks and considerations

**In addition to the key risks summarised on page 2 above, you should consider the following before deciding whether to invest in the Certificates:**

If any return you receive is not equal to or above the rate of inflation over the life of the Certificate the real value of your investment will fall as your money will buy you less than it would have done when you invested it.

Your money is not directly invested in the shares comprising the Index but is invested in a Certificate that is an unsecured debt obligation of RBS, the value of which is calculated by reference to the value of the MSCI Emerging Markets Price Index. The price of the Certificate does not include the value of any dividends that would be paid on the underlying shares if you invested directly in them.

Subject to any technical problems, RBS will endeavour to offer a secondary market in line with London Stock Exchange rules and market making obligations. RBS may be the only market maker in the Emerging Markets Tracker which may affect liquidity.

RBS is entitled to adjust the terms of the Certificates, determine the level of the MSCI Emerging Markets Price Index from another source or in another manner or on another date, delay the Valuation Date, Maturity Date or the date for payment in respect of the Certificates or redeem the

Certificates early at their fair market value (which may be less than the Issue Price) in certain circumstances, for example if the closing level of the Index cannot be determined on a particular day due to a suspension or limitation of trading or other disruption to trading or early closure of any relevant exchange on which any of the shares in the Index are traded or any other exchange where RBS considers trading has a material effect on the overall market for financial instruments in relation to the Index.

Your investment is different from having a bank deposit with RBS in that, if RBS fails to pay you what it owes you, your investment will not be covered by the UK Financial Services Compensation Scheme.

Any tax comments contained within this document are indicative only and are based on RBS' understanding of current law and practice. These comments are not intended to be, nor should they be regarded as, legal or tax advice. The precise tax treatment of a holder of the Certificate will depend on the holder's individual circumstances and on the applicable terms of the Certificate under the law and practice at the relevant time.

Prospective investors in the Certificate should consult their own tax advisers to obtain advice about their particular tax treatment in relation to their holding such Certificate. The tax treatment of the Certificates can be complex and the level

and basis of taxation may change during the life of the Certificate. All amounts are shown on a gross basis, before any tax.

The Certificate is exposed to emerging markets. Investing in emerging markets involves certain risks and special considerations not typically associated with investing in other more established economies or securities markets including, but not limited to higher volatility and less liquidity in securities markets, political and economic uncertainty, different accounting and reporting standards and a higher degree of government involvement in the economy.

Before you invest in this product, you must ensure that you fully understand the potential risks and return of this and/or any related transaction and determine it is appropriate for you given your objectives, experience, financial and operational resources and other relevant circumstances. If you have any doubts about this product, you should consult with a financial adviser.

A prospectus has been prepared and made available to the public. You should not invest in this product except on the basis of the information contained in the prospectus. You may obtain copies of the prospectus on the RBS website, the London Stock Exchange website and in hard copy from us.

## [rbs.co.uk/markets](http://rbs.co.uk/markets)

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