X-pand into the Future

e u r e x *circular 112/12*

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Royal Bank of Scotland Group PLC: Share Consolidation, ISIN Change

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Content may be most important for:

Ü Front Office/Trading
Ü Middle + Backoffice
Ü Auditing/Security Coordination

Attachments:
none

Summary:

On May 30, 2012, the annual general meeting of the company Royal Bank of Scotland Group PLC will decide, amongst other things, a share consolidation at the ratio of 1:10.

The transaction will result in an adjustment of the Eurex options and the Eurex stock futures contract on shares of Royal Bank of Scotland Group PLC (RBS, RBSG).

Ex-date will be **June 6, 2012**.

This circular contains a description of the adjustment procedure.

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Royal Bank of Scotland Group PLC: Share Consolidation, ISIN Change

Measure:
Share consolidation at a ratio of ten new shares of Royal Bank of Scotland Group PLC for each existing share of Royal Bank of Scotland Group PLC

Last Cum Trading Day:
June 1, 2012 (due to holidays on June 4 and June 5, 2012 in Great Britain)

Ex Date:
June 6, 2012

Affected Products:
RBS, RBSG

Reference to underlying Rules & Regulations:
Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich, sections 2.6.10.1 (5) and 1.6.7 (4).

ISINs:
Due to the ISIN change of the Royal Bank of Scotland Group PLC share associated with the share consolidation, also the ISIN of the underlying instrument and the product ISIN of the Eurex option (RBS) as well as the ISIN of the underlying instrument of the Eurex stock futures contract on shares of Royal Bank of Scotland Group PLC (RBSG) will change with effect from June 6, 2012.

Product code old/new	ISIN of the underlying old	ISIN of the underlying new	Product ISIN old	Product ISIN new
RBS	GB0007547838	GB00B7T77214	GB0007547838	GB00B7T77214
RBSG	GB0007547838	GB00B7T77214	DE000A0V8NE7	DE000A0V8NE7

As of June 6, 2012, the new position limit for the Eurex option will be 489,505 contracts.

Procedure:

Determination of Adjustment Factor (R-Factor)

Number of old shares	10
Number of new shares	1
R-Factor	10

Options

1. Adjustment of Strike Prices and Contract Size

Existing strike prices will be multiplied by the R-factor.

The contract size will be divided by the R-factor.

The version number of existing series will be increased by 1.

Below is a list of currently existing series before and after the adjustment:

Strike price old	Version old	Strike price new	Version new	Contract size old	Contract size new
4	0	40	1	1,000.0000	100.000
8	0	80	1	1,000.0000	100.000
12	0	120	1	1,000.0000	100.000
14	0	140	1	1,000.0000	100.000
16	0	160	1	1,000.0000	100.000
17	0	170	1	1,000.0000	100.000
18	0	180	1	1,000.0000	100.000
19	0	190	1	1,000.0000	100.000
20	0	200	1	1,000.0000	100.000
21	0	210	1	1,000.0000	100.000
22	0	220	1	1,000.0000	100.000
23	0	230	1	1,000.0000	100.000
24	0	240	1	1,000.0000	100.000
25	0	250	1	1,000.0000	100.000
26	0	260	1	1,000.0000	100.000
27	0	270	1	1,000.0000	100.000
28	0	280	1	1,000.0000	100.000
29	0	290	1	1,000.0000	100.000
30	0	300	1	1,000.0000	100.000
32	0	320	1	1,000.0000	100.000
34	0	340	1	1,000.0000	100.000
36	0	360	1	1,000.0000	100.000
38	0	380	1	1,000.0000	100.000
40	0	400	1	1,000.0000	100.000
44	0	440	1	1,000.0000	100.000
48	0	480	1	1,000.0000	100.000

New series with standard contract size 1000 and version number 0 will be introduced effective the ex date.

All existing orders and quotes will be deleted on the last cum trading day after the close of trading.

The adjustment also refers to existing positions in OTC Flexible Options.

2. Exercises

Upon exercise of an adjusted series cash settlement will be made for the fractional part of the new contract size.

For exercise of adjusted series as of version 2, differences may occur in the delivery process. In report RPTTA111 (All Active/Inactive Series), the parts of the contract size are listed for which cash settlement will take place in case of exercise of an adjusted series.

Futures

1. Adjustment of Contract Size and Variation Margin

The new contract size will be calculated as follows:

Contract size old 1000 / R-factor 10 = 100.0000 contract size new

To adjust the calculation of the variation margin of the following exchange trading day, settlement prices of the last cum trading day will be multiplied by the R-factor.

All outstanding orders and quotes will be deleted after the close of trading on the last cum trading day.

The adjustment also refers to existing positions in OTC Flexible Futures.

2. Introduction of a new Contract

A new stock futures contract on Royal Bank of Scotland Group PLC shares will be introduced with standard contract size 1000 and new product code RBSH.

The exact introduction date will be announced in a separate Eurex circular.

As soon as the new contract is available for trading and there are no more contract months with open interest in the original contract on Royal Bank of Scotland Group PLC shares (RBSG) trading in this contract will be set on “HALT” and discontinued.

Furthermore, as of June 6, 2012, no new contract months will be introduced in this contract (RBSG). Existing contract months without open interest will be suspended from trading.

If there is no open interest in the original contract on Royal Bank of Scotland Group PLC shares (RBSG) on the last cum trading day after close of trading, no adjustment and no introduction of a new contract will be made.

May 24, 2012