

ROYAL BANK OF SCOTLAND GROUP PLC  
 Form 424B5  
 September 05, 2012

CALCULATION OF REGISTRATION FEE

| Title of Each Class of Securities Offered | Maximum Aggregate Offering Price | Amount of Registration Fee (1) |
|---|----------------------------------|--------------------------------|
| Notes                                     | \$3,715,000.00                   | \$425.74                       |

(1) Calculated in accordance with Rule 457(r) of the Securities Act of 1933.

Filed under Rule 424(b)(5), Registration Statement No. 333-162219  
 Final Pricing Supplement No. 16 dated September 4, 2012 (to: Prospectus dated September 30, 2009 and Prospectus Supplement dated November 21, 2011)

| CUSIP / ISIN Number      | Aggregate Principal Amount | Price to Public | Selling Commission | Net Proceeds | Coupon Type | Coupon Rate     | Coupon Frequency | Maturity Date | 1st Coupon Date | 1st Coupon Amount | Survivor's Option |
|--------------------------|----------------------------|-----------------|--------------------|--------------|-------------|-----------------|------------------|---------------|-----------------|-------------------|-------------------|
| 78012DAR4 / US78012DAR44 | \$3,715,000                | 100.00%         | 0.50%              | \$3,659,275  | FIXED       | 3.50% per annum | MONTHLY          | 09/15/2017    | 09/15/2017      | \$3.69            | NO                |

Redemption Information: Non-Callable/Non-Puttable

Lead Manager and Lead Agent: RBS Securities Inc.

|                                      |  |  |
|--------------------------------------|--|--|
| The Royal Bank of Scotland Group plc | Offering Dates: 08/28/2012 through 09/04/2012<br>Trade Date: 09/04/2012<br>Settlement Date: 09/07/2012<br>Minimum Denomination/Increments:<br>\$1,000.00/\$1,000.00<br>Initial trades settle flat and clear SDFS: DTC Book-Entry only<br>DTC Number 2230 via RBS Securities Inc. | The Royal Bank of Scotland Group plc<br>Retail Corporate Notes<br>Prospectus dated September 2009<br>and Prospectus Supplement dated November 21, 2011 |
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If the maturity date or an interest payment date for any note is not a business day (as that term is defined in the prospectus supplement), principal, premium, if any, and interest for that note is paid on the next business day, and no interest will accrue from, and after, the maturity date or interest payment date.

The notes will be treated as fixed rate debt instruments for U.S. federal income tax purposes.

Intended to be listed on the Channel Islands Stock Exchange.

Davis Polk & Wardwell LLP, New York, New York, will pass upon the validity of the notes and will rely as to all matters of Scots law on the opinion of Dundas & Wilson CS LLP, Edinburgh, Scotland.