

Final Terms dated 30 June 2008

BANK OF SCOTLAND PLC (acting through its Treasury Division, London office)

**Issue of
EUR 100,000,000 Floating Rate Notes due July 2009 (the "Instruments")**

**Guaranteed by
HBOS plc**

**Under the US\$120,000,000,000 Programme for the Issuance of Debt Instruments
of HBOS plc, Bank of Scotland plc (acting through its Treasury Division, London office and
Australia branch) and BOS (Ireland) Funding plc**

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Prospectus dated 13 May 2008 (the "**Prospectus**") which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Instruments described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus. Full information on the Issuer and the offer of the Instruments is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus is available for viewing in respect of HBOS plc and Bank of Scotland plc, at the offices of Shepherd and Wedderburn LLP, Level 2, Saltire Court, 20 Castle Terrace, Edinburgh EH1 2ET, and, in respect of BOS (Ireland) Funding plc, at its registered office, and in the case of each of them, at the specified office of the Principal Paying Agent.

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| 1. | (i) | Issuer: | Bank of Scotland plc (acting through its Treasury Division, London office) |
| | (ii) | Guarantor: | HBOS plc |
| 2. | | Series Number: | Euro 1655/08 |
| 3. | | Specified Currency or Currencies: | Euro ("EUR") |
| 4. | | Aggregate Principal Amount: | EUR 100,000,000 |
| 5. | | Issue Price: | 100.00 per cent. of the Aggregate Principal Amount |
| 6. | (i) | Specified Denominations: | EUR 50,000 |
| | (ii) | Calculation Amount: | EUR 50,000 |
| 7. | | Issue Date: | 2 July 2008 |
| 8. | | Maturity Date: | The Interest Payment Date falling in July 2009 |

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| 9. | Interest Basis: | Interest-bearing. Condition 5B. (Floating Rate) is applicable

3 month EUR-EURIBOR-Reuters + 0.20 per cent. per annum (further particulars specified below) |
| 10. | Redemption/Payment Basis: | Redemption at par |
| 11. | Change of Interest or Redemption/Payment Basis: | Not Applicable |
| 12. | Put/Call Options: | Not Applicable |
| 13. | (i) Status of the Instruments: | Unsubordinated. Condition 3A is applicable |
| | (ii) Status of the Guarantee: | Unsubordinated. Condition 4A is applicable |
| 14. | Method of Distribution | Non-syndicated |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 15. | Fixed Rate Instrument Provisions | Not Applicable |
| 16. | Floating Rate Instrument Provisions | Applicable |
| | (i) Interest Period(s): | The period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each subsequent period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date |
| | (ii) Interest Payment Dates: | 2 October 2008, 2 January 2009, 2 April 2009 and 2 July 2009 as adjusted in accordance with the Business Day Convention |
| | (iii) Business Day Convention: | Modified Following Business Day Convention |
| | (iv) Relevant Financial Centres: | TARGET Settlement Day |
| | (v) Manner in which the Rate(s) of Interest is/are to be determined: | ISDA Determination |
| | (vi) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Principal Paying Agent): | Not Applicable |

(vii)	Screen Rate Determination:	Not Applicable
(viii)	ISDA Determination:	Applicable
	- Floating Rate Option:	EUR-EURIBOR-Reuters
	- Designated Maturity:	3 months
	- Reset Date:	The first day in each Interest Period
(ix)	Margin(s):	+ 0.20 per cent. per annum
(x)	Minimum Rate of Interest:	Not Applicable
(xi)	Maximum Rate of Interest:	Not Applicable
(xii)	Day Count Fraction:	Actual/360
(xiii)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on floating rate Instruments, if different from those set out in the Conditions:	Not Applicable
17.	Non Interest Bearing Instrument Provisions	Not Applicable
18.	Index Linked Interest Instruments	Not Applicable
19.	Dual Currency Instrument Provisions	Not Applicable
20.	Other Rates (Instruments to which Condition 5C.05 is applicable)	Not Applicable

PROVISIONS RELATING TO REDEMPTION

21.	Call Option (Instruments to which Condition 6.06 is applicable)	Not Applicable
22.	Put Option (Instruments to which Condition 6.09 is applicable)	Not Applicable
23.	Final Redemption Amount of each Instrument	EUR 50,000 per Calculation Amount
24.	Early Redemption Amount	
	Early Redemption Amount(s) of each Instrument payable on redemption for taxation reasons or on default or other early redemption and/or the method of	As set out in the Conditions

calculating the same (if required or if different from that set out in the Conditions):

GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

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| 25. Form of Instruments: | Bearer Instruments:

Temporary Global Instrument exchangeable for a Permanent Global Instrument which is exchangeable for Definitive Instruments in the limited circumstances specified in the Permanent Global Instrument. |
| 26. Relevant Financial Centre(s) or other special provisions relating to payment dates: | TARGET Settlement Day |
| 27. Talons for future Coupons or Receipts to be attached to Definitive Instruments (and dates on which such Talons mature): | No |
| 28. Details relating to Partly Paid Instruments: amount of each payment comprising the Issue Price and date on which each payment is to be made: | Not Applicable |
| 29. Details relating to Instalment Instruments: amount of each instalment, date on which each payment is to be made: | Not Applicable |
| 30. Redenomination, renominatisation and reconventioning provisions: | Not Applicable |
| 31. New Global Instrument: | No |
| 32. Other final terms: | Not Applicable |

DISTRIBUTION

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| 33. If syndicated, names of Managers: | Not Applicable |
| 34. If non-syndicated, name of Dealer: | Barclays Bank PLC |
| 35. Additional selling restrictions: | Not Applicable |

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the London Stock Exchange of the Instruments described herein pursuant to the US\$120,000,000,000 Programme for the Issuance of Debt Instruments of HBOS plc, Bank of Scotland plc (acting through its Treasury Division, London office and Australia branch) and BOS (Ireland) Funding plc.

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms. Each of the Issuer and the Guarantor confirms that to the best of their knowledge, having taken all reasonable care to ensure that such is the case, such information is in accordance with the facts and does not omit anything likely to affect its import.

Signed on behalf of the Issuer:

By: M.H. Wheeler

Duly authorised

Signed on behalf of HBOS plc, as Guarantor:

By: M.H. Wheeler

Duly authorised

PART B – OTHER INFORMATION

1. LISTING

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| (i) Listing: | London |
| (ii) Admission to trading: | The Notes will be admitted to trading on the regulated market of the London Stock Exchange plc on or about the Issue Date |
| (iii) Estimate of total expenses related to admission of trading: | GBP 2,800.00 |

2. RATINGS

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| Ratings: | The Instruments to be issued are expected to have the following ratings:

S & P: AA

Moody's: Aa1

Fitch: AA+ |
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3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the issue of the Instruments has an interest material to the issue.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

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| Reasons for the offer: | As stated in the Prospectus under "Use of Proceeds". |
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5. OPERATIONAL INFORMATION

ISIN Code:	XS0373658151
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Common Code:	037365815
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Any clearing system(s) (and the address of such clearing system(s)) other than Euroclear Bank S.A./N.V. and Clearstream Banking Societe Anonyme and the relevant identification number(s):	Not Applicable
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Delivery:	Delivery against payment
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Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
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Intended to be held in a manner which No
would allow Eurosystem eligibility: