

SUPPLEMENTARY PROSPECTUS DATED 24 MARCH 2010



The Royal Bank of Scotland Group plc

(Incorporated in Scotland with limited liability under the Companies Acts 1948 to 1980, registered number SC045551)

The Royal Bank of Scotland plc

(Incorporated in Scotland with limited liability under the Companies Acts 1948 to 1980, registered number SC090312)

£90,000,000,000

Euro Medium Term Note Programme

This Supplement (the “**Supplement**”) to the Prospectus (the “**Prospectus**”) dated 16 June 2009, which comprises, except as set out therein in relation to Guaranteed Notes (as defined in the Prospectus), a base prospectus, constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the “**FSMA**”) and is prepared in connection with the £90,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by The Royal Bank of Scotland Group plc (“**RBSG**”) and The Royal Bank of Scotland plc (“**RBS**”) (each, an “**Issuer**” and together, the “**Issuers**”). Terms defined in the Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and the documents incorporated by reference therein. This Supplement should also be read and construed in conjunction with the supplementary prospectus dated 10 March 2010 which has been previously published and has been approved by the Financial Services Authority (the “**FSA**”) and filed with it and which forms part of the Prospectus.

Each Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of each Issuer (each having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Disincorporation of Information by Reference into the Prospectus

The second paragraph under the heading “No Significant Change and No Material Adverse Change” on page 60 of the registration document dated 10 March 2010 of RBSG, which was published via the Regulatory News Service of the London Stock Exchange plc (the “**RNS**”) on 10 March 2010 and incorporated into the Prospectus pursuant to the supplementary prospectus dated 10 March 2010 shall, by virtue of this Supplement, no longer be incorporated into the Prospectus.

The annual results of RBSG for the year ended 31 December 2009, which were published via the RNS on 25 February 2010 and incorporated into the Prospectus pursuant to the supplementary prospectus dated 10 March 2010 shall, by virtue of this Supplement, no longer be incorporated into the Prospectus.

The sections of the 2007 annual report and accounts of RBSG incorporated by reference in the Prospectus pursuant to paragraph (f) of the section headed “Documents Incorporated by

Reference” on page 7 of the Prospectus shall, by virtue of this Supplement, no longer be incorporated into the Prospectus.

No Material Adverse Change: The Royal Bank of Scotland Group plc

There has been no material adverse change in the prospects of RBSG and its subsidiaries (the “**Group**”) taken as a whole since 31 December 2009 (the last date to which the latest audited published financial information of the Group was prepared).

Incorporation of Information by Reference into the Prospectus

The following sections of the 2009 annual report and accounts of RBSG, which were published by RBSG on 18 March 2010 and which have been (1) previously published and (2) approved by the FSA or filed with it shall be deemed to be incorporated in, and form part of, the Prospectus (other than for the purposes of the Guaranteed Notes):

- (i) Independent auditors’ report on page 240;
- (ii) Consolidated income statement on page 241;
- (iii) Consolidated statement of comprehensive income on page 242;
- (iv) Balance sheets as at 31 December 2009 on page 243;
- (v) Statements of changes in equity on pages 244 to 246;
- (vi) Cash flow statements on page 247;
- (vii) Accounting policies on pages 248 to 258;
- (viii) Notes on the accounts on pages 259 to 348;
- (ix) What we have achieved on page 1;
- (x) Chairman’s statement on pages 2 to 3;
- (xi) Group Chief Executive’s review on pages 4 to 6;
- (xii) Our strategic plan and progress on pages 12 to 19;
- (xiii) Divisional review on pages 20 to 41;
- (xiv) Business review on pages 49 to 206;
- (xv) Report of the Directors on pages 208 to 213;
- (xvi) Corporate governance on pages 214 to 222;
- (xvii) Letter from the Chairman of the Remuneration Committee on pages 223 to 224;
- (xviii) Directors’ remuneration report on pages 225 to 236;
- (xix) Directors’ interests in shares on page 237;
- (xx) Financial Summary on pages 350 to 359;
- (xxi) Exchange rates on page 359;
- (xxii) Economic and monetary environment on page 360;
- (xxiii) Supervision on page 361;

- (xxiv) Regulatory developments and reviews on pages 361 to 362;
- (xxv) Description of property and equipment on pages 362 to 363;
- (xxvi) Major shareholders on page 363;
- (xxvii) Material contracts on pages 363 to 369; and
- (xxviii) Glossary of terms on pages 383 to 387.

Definition of "Disclosure relating to the Issuers" on page 8 of the Prospectus

Page 8 of the Prospectus contains a definition of "Disclosure relating to the Issuers". As set out therein, the Disclosure relating to the Issuers is not incorporated by reference into the Prospectus for the purposes of issues of Guaranteed Notes. By virtue of this Supplement, all the information contained in this Supplement and incorporated by reference into the Prospectus by virtue of this Supplement shall be deemed to be included within the definition of "Disclosure relating to the Issuers".

A copy of any or all of the information which is incorporated by reference in the Prospectus can be obtained from the website of RBSG at www.rbs.com and from the London Stock Exchange plc's website at www.londonstockexchange.com/en-gb/pricesnews/marketnews/.

If the documents which are incorporated by reference in the Prospectus by virtue of this Supplement themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of the Prospectus for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference in, or attached to, the Prospectus by virtue of this Supplement.

To the extent that there is any inconsistency between any statement in or incorporated by reference in the Prospectus by virtue of this Supplement and any other statement in or incorporated by reference in the Prospectus, the statements in or incorporated by reference in the Prospectus by virtue of this Supplement will prevail.

Save as disclosed in this Supplement or in any document incorporated by reference in the Prospectus by virtue of this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

Investors should be aware of their rights under Section 87Q(4) of the FSMA.