

SUPPLEMENTARY PROSPECTUS DATED 27 NOVEMBER 2014



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 “**5th Supplementary Prospectus**”) to the Prospectus dated 10 March 2014 (the “**Prospectus**”), which comprises a base prospectus for the purpose of Directive 2003/71/EC (as amended), constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the “**FSMA**”) and has been 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 5th Supplementary Prospectus.

This 5th Supplementary Prospectus is supplemental to, and should be read in conjunction with, the Prospectus and the documents incorporated by reference therein. This 5th Supplementary Prospectus should also be read and construed in conjunction with the supplementary prospectuses dated 19 March 2014, 12 May 2014, 14 August 2014 and 3 September 2014 (the “**Previous Supplementary Prospectuses**”) and the documents incorporated by reference therein which have been previously published and have been approved by the Financial Conduct Authority (the “**FCA**”) and filed with it and which form part of the Prospectus.

Each Issuer accepts responsibility for the information contained in this 5th Supplementary Prospectus. To the best of the knowledge of each Issuer (each 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 the import of such information.

Purpose of the Supplementary Prospectus

The purpose of this 5th Supplementary Prospectus is to:

- (a) incorporate by reference into the Prospectus:
 - (i) the RBSG Interim Management Statement (as defined below); and
 - (ii) the 21 November RNS (as defined below); and
- (b) update certain information relating to litigation and investigations.

Incorporation of Information by Reference

By virtue of this 5th Supplementary Prospectus,

- (a) the unaudited “Interim Management Statement Q3 2014” of RBSG for the third quarter ended 30 September 2014, which was published via the Regulatory News Service of the London Stock Exchange plc (“**RNS**”) on 31 October 2014 (the “**RBSG Interim Management Statement**”); and
- (b) the press release entitled “EBA Stress Test Result Correction” which was published via the RNS on 21 November 2014 (the “**21 November RNS**”),

each of which has been (1) previously published and (2) filed with the FCA, shall be incorporated in, and form part of, the Prospectus.

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 <http://www.rbs.com> and from the London Stock Exchange plc’s website at <http://www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html>.

If a document which is incorporated by reference in the Prospectus by virtue of this 5th Supplementary Prospectus itself incorporates any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of the Prospectus except where such information or other documents are specifically incorporated by reference in, or attached to, the Prospectus by virtue of this 5th Supplementary Prospectus.

Litigation and Investigations

Save as set out (i) in the sections entitled “Litigation” and “Investigations and reviews” on pages 34 to 48 of the RBSG Registration Document and pages 34 to 48 of the RBS Registration Document; (ii) in the section entitled “Litigation, investigations and reviews” on page 71 of the unaudited Interim Management Statement Q1 2014 of RBSG, which was published via the RNS on 2 May 2014; (iii) in the 3rd Supplementary Prospectus; (iv) in the section entitled “Litigation, investigations and reviews” on pages 41 to 43 of the RBSG Interim Management Statement and (v) below, there are no, nor during the 12 months prior to the date of this 5th Supplementary Prospectus have there been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which RBSG or RBS is aware) which may have or have had in the recent past significant effects on the financial position or profitability of RBSG, RBS, the Issuer Group and/or the Group taken as a whole.

Investigations and reviews

Competition and Markets Authority – Retail Banking Market Investigation

On 6 November 2014, the United Kingdom Competition and Markets Authority (“**CMA**”) announced its decision to launch an in-depth market investigation into the personal current account and SME retail banking sectors, confirming its provisional decision of 18 July 2014. At this stage it is not possible to estimate the potential impact on the Group.

Foreign exchange trading

On 12 November 2014, RBS announced that it had reached a settlement with the FCA in the United Kingdom and the United States Commodity Futures Trading Commission (“**CFTC**”) in relation to investigations into failings in its Foreign Exchange business within its Corporate & Institutional Banking division. RBS has agreed to pay penalties of £217 million to the FCA and \$290 million to the CFTC to resolve the investigations. These penalties are covered by the £400 million provision recorded in the RBSG Interim Management Statement. RBS remains in discussions with other governmental and regulatory authorities on these issues, including the United States Department of Justice and certain other financial regulatory authorities. The timing

and amounts of any further settlements and related litigation risks however remain uncertain and could be significant.

RBSG Reaches I.T. Incident Settlement

On 20 November 2014, RBSG announced that it had reached agreement with the FCA and the Prudential Regulation Authority ("**PRA**") in the United Kingdom for failings in relation to the 2012 technology incident. RBSG agreed a penalty of £42m with the FCA and £14m with the PRA. Both these payments are covered by provisions already made by RBSG.

Other Information

To the extent that there is any inconsistency between any statement in or incorporated by reference in the Prospectus by virtue of this 5th Supplementary Prospectus and any other statement in or incorporated by reference in the Prospectus or the Previous Supplementary Prospectuses, the statements in or incorporated by reference in the Prospectus by virtue of this 5th Supplementary Prospectus will prevail.

Save as disclosed in the Previous Supplementary Prospectuses and this 5th Supplementary Prospectus or in any document incorporated by reference in the Prospectus by virtue of the Previous Supplementary Prospectuses or this 5th Supplementary Prospectus, 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.

The hyperlinks included in this 5th Supplementary Prospectus are included for information purposes only and the websites and their content are not incorporated into, and do not form part of, the 5th Supplementary Prospectus or the Prospectus.