

SUPPLEMENTARY OFFERING MEMORANDUM DATED DECEMBER 16, 2009



The Royal Bank of Scotland Group plc

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

as Issuer and Guarantor

The Royal Bank of Scotland plc

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

as Issuer

**U.S.\$35,000,000,000 Medium-Term Note Program
Due Six Months or More From Date of Issue**

This Supplement (the "**Supplement**") to the Offering Memorandum (the "**Offering Memorandum**") dated June 16, 2009, which comprises, except as set out therein in relation to HM Treasury Guaranteed Notes (as defined in the Offering Memorandum), 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 U.S.\$35,000,000,000 Medium-Term Note Program (the "**Program**") established by The Royal Bank of Scotland Group plc ("**RBSG**" or the "**Guarantor**") and The Royal Bank of Scotland plc ("**RBS**") (each, an "**Issuer**" and together, the "**Issuers**"). Terms defined in the Offering Memorandum have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Offering Memorandum and the documents incorporated by reference therein. This Supplement should also be read and construed in conjunction with the supplements to the Offering Memorandum dated August 14, 2009, August 28, 2009, September 8, 2009, November 19, 2009 and December 1, 2009 (together, the "**Previous Supplements**") which have been previously published and have been approved by the Financial Services Authority (the "**FSA**") and filed with it and which form part of the Offering Memorandum.

Each of the Issuers and the Guarantor accepts responsibility for the information contained in this Supplement. To the best of the knowledge of each of the Issuers and the Guarantor (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.

It should be noted that the registration document dated November 19, 2009 of RBSG, which was published via the Regulatory News Service of the London Stock Exchange plc (the "**RNS**") on November 19, 2009 (the "**RBSG Registration Document**") and the registration document dated November 19, 2009 of RBS, which was published via the RNS on November 19, 2009 (the "**RBS Registration Document**") are incorporated by reference into the Offering Memorandum (other than for the purposes of HM Treasury Guaranteed Notes) by virtue of the supplement to the Offering Memorandum dated November 19, 2009.

Disincorporation of Information by Reference into the Offering Memorandum

The first paragraph under the heading “United States” on pages 32 to 33 of the RBSG Registration Document and the first paragraph under the heading “United States” on pages 33 to 34 of the RBS Registration Document shall, by virtue of this Supplement, no longer be incorporated into the Offering Memorandum.

Incorporation of Information by Reference into the Offering Memorandum

The announcement headed “General Meeting Statement” published via the RNS on December 15, 2009 shall, by virtue of this Supplement, be deemed to be incorporated in, and form part of, the Offering Memorandum (other than for the purposes of HM Treasury Guaranteed Notes).

The announcement headed “Results of General Meeting” published via the RNS on December 15, 2009 shall, by virtue of this Supplement, be deemed to be incorporated in, and form part of, the Offering Memorandum (other than for the purposes of HM Treasury Guaranteed Notes).

No Significant Change

Save as set out in (i) the “Interim management statement” on pages 1 to 5 of the interim management statement for the third quarter ended September 30, 2009 of RBSG (the “**RBSG Third Quarter 2009 Interim Management Statement**”) (excluding page 1 and “Third Quarter 2009 results summary — Current trading”, “— Efficiency”, “— Impairments”, and “— Capital” on pages 3 to 4), (ii) “Presentation of information” on page 4 of the “Third quarter 2009 results” within the Third Quarter 2009 Interim Management Statement (excluding “Pro forma results” on page 4), (iii) “Results summary — statutory — Highlights” on page 7 of the “Third quarter 2009 results” within the Third Quarter 2009 Interim Management Statement, (v) “Business and strategic update” on pages 8 to 12 (excluding “Strategic plan” on page 8) of the “Third quarter 2009 results” within the RBSG Third Quarter 2009 Interim Management Statement, and (vi) the press release headed “The Royal Bank of Scotland Group plc (RBS) — Announcement on the APS and State Aid Discussions” dated November 3, 2009 issued by RBSG (excluding section 2 of Appendix 1 on page 11 of the press release), each of which is incorporated by reference into the Offering Memorandum, there has been no significant change in the trading or financial position of RBSG and its subsidiaries taken as a whole since 30th June 2009 (the last date on which RBSG published audited or interim financial information).

Save as set out in (i) the “Interim management statement” on pages 1 to 5 of the RBSG Third Quarter 2009 Interim Management Statement (excluding page 1 and “Third Quarter 2009 results summary — Current trading”, “— Efficiency”, “— Impairments”, and “— Capital” on pages 3 to 4), (ii) “Presentation of information” on page 4 of the “Third quarter 2009 results” within the Third Quarter 2009 Interim Management Statement (excluding “Pro forma results” on page 4), (iii) “Results summary — statutory — Highlights” on page 7 of the “Third quarter 2009 results” within the Third Quarter 2009 Interim Management Statement, (v) “Business and strategic update” on pages 8 to 12 (excluding “Strategic plan” on page 8) of the “Third quarter 2009 results” within the RBSG Third Quarter 2009 Interim Management Statement, and (vi) the press release headed “The Royal Bank of Scotland Group plc (RBS) — Announcement on the APS and State Aid Discussions” dated November 3, 2009 issued by RBSG (excluding section 2 of Appendix 1 on page 11 of the press release), each of which is incorporated by reference into the Offering Memorandum, there has been no significant change in the trading or financial position of RBS and its subsidiaries taken as a whole since 30th June 2009 (the last date on which RBS published audited or interim financial information).

Definition of “Disclosure relating to the Issuers and the Guarantor” on page 5 of the Offering Memorandum

Page 5 of the Offering Memorandum contains a definition of “**Disclosure relating to the Issuers and the Guarantor**”. As set out therein, the Disclosure relating to the Issuers and the Guarantor is not incorporated by reference into the Offering Memorandum for the purposes of issues of HM Treasury Guaranteed Notes. By virtue of this Supplement, all the information incorporated by reference into the Offering Memorandum by virtue of each of the Previous Supplements and this Supplement shall be deemed to be included within the definition of “Disclosure relating to the Issuers and the Guarantor”. Therefore, all the information incorporated by reference into the Offering Memorandum by virtue of each of the Previous Supplements and this Supplement is not incorporated by reference into the Offering Memorandum for the purposes of issues of HM Treasury Guaranteed Notes.

A copy of any or all of the information which is incorporated by reference in the Offering Memorandum can be obtained 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 Offering Memorandum 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 Offering Memorandum for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference in, or attached to, the Offering Memorandum by virtue of this Supplement.

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

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

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