

SUPPLEMENTARY PROSPECTUS DATED 16th DECEMBER 2009



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 16th 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 prospectuses dated 14th August 2009, 28th August 2009, 8th September 2009, 19th November 2009 and 30th November 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 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.

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

Disincorporation of Information by Reference into the Prospectus

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 Prospectus.

Incorporation of Information by Reference into the Prospectus

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

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

On 27th November 2009, RBSG published a shareholder circular in connection with its proposed accession to the Asset Protection Scheme and B Share and Dividend Access Share issues, which has been (1) previously published and (2) approved by the Financial Services Authority or filed with it (the “**Shareholder Circular**”). By virtue of the supplementary prospectus dated 30th November 2009, “Part IV – Additional Information – 11 Significant change statement” on page 118 of the Shareholder Circular (the “**Significant Change Statement**”) was incorporated by reference in the Prospectus (other than for the purposes of Guaranteed Notes).

In relation to RBS and its subsidiaries taken as a whole, by virtue of this Supplement, the Significant Change Statement shall be deemed to be incorporated in, and form part of, the Prospectus (other than for the purposes of Guaranteed Notes), save that the words “the Group taken as a whole” in the Significant Change Statement shall be deleted and replaced with the words “RBS plc and its subsidiaries taken as a whole”.

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 incorporated by reference into the Prospectus 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”. Therefore, all the information incorporated by reference into the Prospectus by virtue of each of the Previous Supplements and this Supplement is not incorporated by reference into the Prospectus for the purposes of issues of Guaranteed Notes.

A copy of any or all of the information which is incorporated by reference in the Prospectus 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 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.