

SUPPLEMENTARY OFFERING MEMORANDUM DATED DECEMBER 2, 2011



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)

\$35,000,000,000

Medium-Term Note Program

Due Six Months or More From Date of Issue

This Supplement (this "**Supplement**") to the Offering Memorandum (the "**Offering Memorandum**") dated June 7, 2011, which comprises, except as set out therein under the heading "*Documents Incorporated by Reference*" on pages 3 to 5 of the Offering Memorandum, a base prospectus (the "**Base Prospectus**") for the purposes of Directive 2003/71/EC, 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 \$35,000,000,000 Medium-Term Note Program established by The Royal Bank of Scotland Group plc ("**RBSG**") and in its capacity as guarantor, the "**Guarantor**") and The Royal Bank of Scotland plc ("**RBS**") (each, an "**Issuer**" and together, the "**Issuers**"). Terms defined in the Offering Memorandum and the Base Prospectus have the same meaning when used in this Supplement.

This Supplement to the Base Prospectus is supplemental to, and should be read in conjunction with, the Base Prospectus and the documents incorporated by reference therein. This Supplement to the Offering Memorandum 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 supplementary offering memorandums dated June 15, 2011, August 16, 2011 (the "**August 16 Supplemental Offering Memorandum**"), August 31, 2011, September 9, 2011, September 21, 2011, October 10, 2011, October 14, 2011 and November 15, 2011 (together, the "**Previous Supplements**") and the documents incorporated by reference therein.

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) such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of this Supplement

The purpose of this Supplement is to update certain information contained in the Registration Documents (which are incorporated by reference in the Offering Memorandum and the Base Prospectus by virtue of the August 16 Supplemental Offering Memorandum) relating to: (i) the expected ratings by Standard & Poor's Credit Market Services Europe Limited ("**Standard & Poor's**") of notes issued by RBSG and RBS. This update is necessary following an announcement by Standard & Poor's on November 29, 2011 of revisions to those ratings and those of certain other financial institutions due to revisions to its rating methodology; and (ii) the investigation commenced

by the Financial Services Authority in July 2010 into the sale by Coutts & Co of the ALICO (American Life Insurance Company) Premier Access Bond Enhanced Variable Rate Fund.

Ratings Information

By virtue of this Supplement:

- the reference to Standard & Poor's expected ratings of senior notes with a maturity of one year or more, senior notes with a maturity of less than one year and dated subordinated notes issued by RBSG in the RBSG Registration Document shall, for the purposes of being incorporated by reference into the Offering Memorandum and the Base Prospectus, be deemed to be amended as follows:

	Previous	Current
Senior Notes – Maturity of one year or more	A	A-
Senior Notes – Maturity of less than one year	A-1	A-2
Dated Subordinated Notes	BBB	BB+

- the following shall, for the purposes of being incorporated by reference into the Offering Memorandum and the Base Prospectus, be deemed to be added to the fifth paragraph on page 1 of the RBSG Registration Document:

“As defined by Standard & Poor’s, an “A-2” rating means that the ability of the Issuer to meet its financial commitment on the relevant notes issued by it is satisfactory.”

- the reference to Standard & Poor's expected ratings of senior notes with a maturity of one year or more and dated subordinated notes issued by RBS in the RBS Registration Document shall, for the purposes of being incorporated by reference into the Offering Memorandum and the Base Prospectus, be deemed to be amended as follows:

	Previous	Current
Senior Notes – Maturity of one year or more	A+	A
Dated Subordinated Notes	BBB+	BBB-

- the reference to the date of the Standard & Poor's definitions of ratings and other forms of opinion contained under (i) of the second full paragraph on page 2 of the RBSG Registration Document and the RBS Registration Document (“27 April 2011”) shall, for the purposes of being incorporated by reference into the Offering Memorandum and the Base Prospectus, be deemed to be deleted and, in each case, replaced with the following:

“1 November 2011”.

Investigations

By virtue of this Supplement, the final sentence of the first full paragraph on page 43 of the RBSG Registration Document, and the final sentence of the final paragraph on page 42 (continued on page 43) of the RBS Registration Document (“RBSG and its subsidiaries are co-operating fully with this investigation”), in each case, shall, for the purposes of being incorporated by reference into the Offering Memorandum and the Base Prospectus, be deemed to be deleted and replaced with the following (to be inserted as a new paragraph):

“On 8 November 2011, the FSA published its Final Notice having reached a settlement with Coutts & Co, under which Coutts & Co agreed to pay a fine of £6.3 million. The FSA did not make any findings on the suitability of advice given in individual cases. Nonetheless, in order to address the possibility that unsuitable advice may potentially have been given in relation to the ALICO (American Life Insurance Company) Premier Access Bond Enhanced Variable Rate Fund (“EVRF”), Coutts & Co has agreed to undertake a past business review of its sales of the product. This review will be overseen by an independent third party and will consider the advice given to customers invested in the EVRF as at the date of its suspension, 15 September 2008. As part of the review, Coutts & Co may identify clients affected by the FSA's findings and will offer them redress.”

A copy of any or all of the information which is incorporated by reference in the Base Prospectus can be obtained from the website of RBS at <http://www.rbs.com>.

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

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

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

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