

## SUPPLEMENTARY OFFERING MEMORANDUM DATED SEPTEMBER 24, 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)*

**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 10, 2010, which comprises, except as set out therein under the heading "Documents Incorporated by Reference" on pages 3 to 5 of the Offering Memorandum and except for the purposes of the issuance of HM Treasury Guaranteed Notes (as defined in the Offering Memorandum), a base prospectus (the "**Base Prospectus**"), constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the "**FSMA**"). This Supplement 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**" and, in its capacity as guarantor, the "**Guarantor**") and The Royal Bank of Scotland plc ("**RBS**") (each, an "**Issuer**" and together, the "**Issuers**").

This Supplement is supplemental to, and should be read in conjunction with, the Offering Memorandum, the supplemental Offering Memorandum dated August 18, 2010 (the "**August Supplemental Offering Memorandum**") and the Base Prospectus 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.

This Supplement has been primarily prepared in order to update the Offering Memorandum and the Base Prospectus following the re-publication of RBSG's results for the half year ended June 30, 2010 to incorporate the addition of note 24 (Consolidating financial information) therein and also, for the purposes of being incorporated by reference into the Offering Memorandum and the Base Prospectus, to amend the "Introduction" section of each of the RBS Registration Document and the RBSG Registration Document. Note 24 contains condensed consolidating financial information in accordance with Rule 3-10 of Regulation S-X for:

- RBSG on a stand-alone basis;
- RBS on a stand-alone basis;
- Non-guarantor Subsidiaries of RBSG on a combined basis;

- Consolidation adjustments; and
- RBSG consolidated amounts.

***Disincorporation of Information Incorporated by Reference into the Offering Memorandum and Base Prospectus***

The half year results of RBSG on Form 6-K filed with the SEC on August 13, 2010 ([http://www.sec.gov/Archives/edgar/data/844150/000095010310002419/dp18861\\_6k.htm](http://www.sec.gov/Archives/edgar/data/844150/000095010310002419/dp18861_6k.htm)) and which are incorporated by reference into the Offering Memorandum and the Base Prospectus pursuant to the August Supplemental Offering Memorandum shall, by virtue of this Supplement, no longer be incorporated into the Offering Memorandum and the Base Prospectus.

***Incorporation of Information by Reference into the Offering Memorandum and the Base Prospectus***

The half year results of RBSG on Form 6-K filed with the SEC on September 8, 2010 ([http://www.sec.gov/Archives/edgar/data/844150/000095010310002640/dp19010\\_6k.htm](http://www.sec.gov/Archives/edgar/data/844150/000095010310002640/dp19010_6k.htm)), which have been (1) previously or simultaneously published and (2) approved by the FSA or filed with it, shall be deemed to be incorporated in, and form part of, the Offering Memorandum and the Base Prospectus.

The documents set out in this section headed "Incorporation of Information by Reference into the Offering Memorandum and the Base Prospectus" shall not be incorporated into the Offering Memorandum or the Base Prospectus for the purposes of the issuance of HM Treasury Guaranteed Notes.

The hyperlinks included in this Supplement are included for information purposes only. For the avoidance of doubt, the contents of the website referred to above, other than the specific Form 6-K referred to above, shall not be incorporated by reference into the Offering Memorandum and the Base Prospectus.

***Amendment to the "Introduction" Section of the RBS Registration Document***

By virtue of this Supplement, the following paragraph on page 1 of the RBS Registration Document which is incorporated by reference into the Offering Memorandum and the Base Prospectus:

*"This document constitutes a registration document ("**Registration Document**") for the purposes of Article 5.3 of Directive 2003/71/EC (the "**Prospectus Directive**") and has been prepared for the purpose of giving information with respect to The Royal Bank of Scotland plc (the "**Issuer**" or "**RBS**"), whose registered office address appears on the last page of this Registration Document, and its subsidiary and associated undertakings (RBS, together with its subsidiary and associated undertakings, the "**Issuer Group**") which, according to the particular nature of the Issuer and the securities which it may offer to the public or apply to have admitted to trading on a regulated market, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer."*

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 sentence:

*"This document constitutes a registration document ("**Registration Document**") for the purposes of Article 5.3 of Directive 2003/71/EC (the "**Prospectus Directive**") and has been prepared for the purpose of giving information with respect to The Royal Bank of Scotland plc*

*(the “**Issuer**” or “**RBS**”), whose registered office address appears on the last page of this Registration Document, and its subsidiaries consolidated in accordance with International Financial Reporting Standards (RBS, together with its subsidiaries consolidated in accordance with International Financial Reporting Standards, the “**Issuer Group**”) which, according to the particular nature of the Issuer and the securities which it may offer to the public or apply to have admitted to trading on a regulated market, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.”*

#### **Amendment to the “Introduction” Section of the RBSG Registration Document**

By virtue of this Supplement, the following paragraph on page 1 of the RBSG Registration Document which is incorporated by reference into the Offering Memorandum and the Base Prospectus:

*“This document constitutes a registration document (“**Registration Document**”) for the purposes of Article 5.3 of Directive 2003/71/EC (the “**Prospectus Directive**”) and has been prepared for the purpose of giving information with respect to The Royal Bank of Scotland Group plc (the “**Issuer**” or “**RBSG**”), whose registered office address appears on the last page of this Registration Document, and its subsidiary and associated undertakings (RBSG, together with its subsidiary and associated undertakings, the “**Group**”) which, according to the particular nature of the Issuer and the securities which it may offer to the public or apply to have admitted to trading on a regulated market, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.”*

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 sentence:

*“This document constitutes a registration document (“**Registration Document**”) for the purposes of Article 5.3 of Directive 2003/71/EC (the “**Prospectus Directive**”) and has been prepared for the purpose of giving information with respect to The Royal Bank of Scotland Group plc (the “**Issuer**” or “**RBSG**”), whose registered office address appears on the last page of this Registration Document, and its subsidiaries consolidated in accordance with International Financial Reporting Standards (RBSG, together with its subsidiaries consolidated in accordance with International Financial Reporting Standards, the “**Group**”) which, according to the particular nature of the Issuer and the securities which it may offer to the public or apply to have admitted to trading on a regulated market, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.”*

#### **Defined Terms Used in the Offering Memorandum and the Base Prospectus**

Page 5 of the Offering Memorandum and the Base Prospectus contains a definition of “*Disclosure relating to the Issuers and the Guarantor.*” By virtue of this Supplement:

- (a) the information no longer incorporated into the Offering Memorandum and the Base Prospectus, as set out under the heading “Disincorporation of Information Incorporated by Reference into the Offering Memorandum and Base Prospectus” in this Supplement, shall be deemed to be removed from the definition of “*Disclosure relating to the Issuers and the Guarantor*” in the Offering Memorandum and the Base Prospectus; and

- (b) the information contained in this Supplement and incorporated by reference into the Offering Memorandum and the Base Prospectus, as set out under the heading “Incorporation of Information by Reference into the Offering Memorandum and the Base Prospectus” in this Supplement, shall be deemed to be included within the definition of “*Disclosure relating to the Issuers and the Guarantor*” in the Offering Memorandum and the Base Prospectus.

If the documents which are incorporated by reference in the Offering Memorandum and the Base 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 Offering Memorandum and the Base 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 Offering Memorandum and the Base Prospectus 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 or the Base Prospectus by virtue of this Supplement and any other statement in or incorporated by reference in the Offering Memorandum or the Base 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 Base Prospectus by virtue of this Supplement, 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.