

Final Terms dated 28 September 2010

The Royal Bank of Scotland plc

Issue of SGD 390,000,000 2.85 per cent. Notes due 31 March 2014

under the £90,000,000,000

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 10 June 2010, as supplemented by the Supplementary Prospectuses dated 9 August 2010 and 27 August 2010, which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus as so supplemented. The Prospectus and the Supplementary Prospectuses are available for viewing, respectively, at:

http://www.rns-pdf.londonstockexchange.com/rns/4429N_-2010-6-10.pdf

http://www.rns-pdf.londonstockexchange.com/rns/7975Q_-2010-8-9.pdf

http://www.rns-pdf.londonstockexchange.com/rns/7988R_-2010-8-27.pdf

1.	Issuer:	The Royal Bank of Scotland plc
2.	(i) Series Number:	3263
	(ii) Tranche Number:	1
3.	Specified Currency or Currencies:	Singapore Dollars (“SGD”)
4.	Aggregate Nominal Amount:	
	(i) Series:	SGD 390,000,000
	(ii) Tranche:	SGD 390,000,000
5.	Issue Price:	100 per cent. of the Aggregate Nominal Amount
6.	(i) Specified Denomination:	SGD 250,000
	(ii) Calculation Amount:	SGD 250,000
7.	(i) Issue Date:	29 September 2010
	(ii) Interest Commencement Date:	29 September 2010
8.	Maturity Date:	31 March 2014

9.	Interest Basis:	2.85 per cent. Fixed Rate (further particulars specified below)
10.	Redemption/Payment Basis:	Redemption at par
11.	Change of Interest or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13.	Status of the Notes:	Ordinary Notes
14.	Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions	Applicable
	(i) Rate(s) of Interest:	2.85 per cent. per annum payable semi-annually in arrear
	(ii) Interest Payment Date(s):	29 March and 29 September in each year, from and including 29 March 2011 up to and including 29 September 2013, and the Maturity Date, provided that the last interest period will be the period from and including 29 September 2013 to but excluding 29 March 2014 but interest in respect of such interest period will be payable on the Maturity Date. No additional interest shall be payable in respect of the period from and including 29 March 2014 to but excluding the Maturity Date.
	(iii) Fixed Coupon Amount(s):	Not Applicable
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction:	The actual number of days in the relevant period divided by 365 (Actual/365 (Fixed)). For the avoidance of doubt, the "relevant period" in respect of each Interest Payment Date shall be the period from and including the preceding Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding such Interest Payment Date save in respect of the Interest Payment Date falling on the Maturity Date when the "relevant period" shall be the period from and including 29 September 2013 to but excluding 29 March 2014.
	(vi) Determination Dates:	Not Applicable

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| (vii) | Other terms relating to the method of calculating interest for Fixed Rate Notes: | Not Applicable |
| 16. | Floating Rate Note Provisions | Not Applicable |
| 17. | Zero Coupon Note Provisions | Not Applicable |
| 18. | Index-Linked Interest Note/other variable-linked interest Note Provisions | Not Applicable |
| 19. | Dual Currency Interest Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 20. | Issuer Call: | Not Applicable |
| 21. | Investor Put: | Not Applicable |
| 22. | Final Redemption Amount | SGD 250,000 per Calculation Amount |
| 23. | Early Redemption Amount | |
| | Early Redemption Amount(s) payable on redemption for taxation reasons or an event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): | SGD 250,000 per Calculation Amount |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 24. | Form of Notes: | |
| | (a) Form: | Bearer Notes:

Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon the occurrence of an Exchange Event |
| | (b) New Global Note: | No |
| 25. | Special provisions relating to Payment Dates: | Condition 4(d) shall be deemed to be deleted and replaced with the following:

“If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Date, the holder thereof shall not be entitled to payment of the amount due until the next following Payment Date unless it would thereby fall into the next calendar month, in which event such Payment Date shall be brought forward to the immediately preceding Payment Date, and the holder thereof shall |

(i) in the event that the Payment Date falls after the relevant Interest Payment Date or the Maturity Date, as the case may be, not be entitled to any interest or other payment in respect of such delay and (ii) in the event that the Payment Date falls before the relevant Interest Payment Date or the Maturity Date, as the case may be, not receive any less interest as a result of the Payment Date falling before the relevant Interest Payment Date or the Maturity Date, as the case may be. For these purposes, “Payment Date” means any day which is:

- (i) a day on which commercial banks and foreign exchange markets settle payments in the relevant place of presentation (save, in the case of a global Note, where presentation is not required); and
- (ii) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London, New York and Singapore.

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| 26. | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | No |
| 27. | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: | Not Applicable |
| 28. | Details relating to Instalment Notes: | Not Applicable |
| 29. | Redenomination, renominalisation and reconventioning provisions: | Not Applicable |
| 30. | Consolidation provisions: | Not Applicable |
| 31. | Other final terms or special conditions: | Not Applicable |

DISTRIBUTION

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| 32. | (i) If syndicated, names of Managers: | The Royal Bank of Scotland plc
Oversea-Chinese Banking Corporation Limited |
| | (ii) Date of Syndication Agreement: | 28 September 2010 |
| | (iii) Stabilising Manager(s) (if any): | The Royal Bank of Scotland plc |

33. If non-syndicated, name and address of Dealer:

Not Applicable

34. Additional selling restrictions:

Singapore

The Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore, and the Notes will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the **Securities and Futures Act**). Accordingly, the Notes may not be offered or sold or made the subject of an invitation for subscription or purchase nor may the Prospectus or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Notes be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person under Section 275(1) of the Securities and Futures Act or to any person pursuant to Section 275(1A) of the Securities and Futures Act and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Each of the following persons specified in Section 275 of the Securities and Futures Act which has subscribed or purchased the Notes, namely a person who is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor;
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor,

should note that shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interests in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Notes under Section 275 of the Securities and Futures Act except:

- (i) to an institutional investor under Section 274 of the Securities and Futures Act or to a relevant person or to any person pursuant to Section 275(1) and Section 275(1A) of the Securities and Futures Act, respectively and in accordance with the conditions specified in Section 275 of the Securities and Futures Act;
 - (ii) where no consideration is or will be given for the transfer; or
 - (iii) where the transfer is by operation of law; or
 - (iv) pursuant to Section 276(7) of the Securities and Futures Act.
35. Whether TEFRA D/TEFRA C rules applicable or TEFRA rules not applicable: TEFRA D
36. Non-exempt Offer: Not Applicable

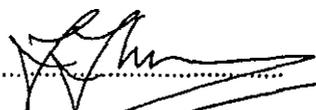
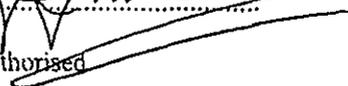
PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the regulated market of the London Stock Exchange plc of the Notes described herein pursuant to the £90,000,000,000 Euro Medium Term Note Programme of The Royal Bank of Scotland Group plc and The Royal Bank of Scotland plc.

RESPONSIBILITY

The Royal Bank of Scotland plc (as Issuer) accepts responsibility for the information contained in these Final Terms.

Signed on behalf of The Royal Bank of Scotland plc (as Issuer):

By: 
Duly authorised 

PART B – OTHER INFORMATION

1. LISTING

- (i) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the London Stock Exchange plc with effect from 29 September 2010
- (ii) Estimate of total expenses related to admission to trading: £3,600

2. RATINGS

- Ratings: The Notes to be issued have been rated:
- Standard & Poor's: A+
Moody's Investors Service Limited: Aa3
Fitch Ratings Limited: AA-

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

4. YIELD

- Indication of yield: 2.85 per cent. per annum
- The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5. OPERATIONAL INFORMATION

- (i) ISIN: XS0544939167
- (ii) Common Code: 054493916
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable
- (iv) Delivery: Delivery free of payment
- (v) Intended to be held in a manner which would allow Eurosystem eligibility: No