

SUPPLEMENTARY PROSPECTUS DATED 1 APRIL 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)

£90,000,000,000

Euro Medium Term Note Programme

This Supplement (the “**Supplement**”) to the Prospectus (the “**Prospectus**”) dated 16 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 prospectus dated 10 March 2010, 24 March 2010 and 26 March 2010 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.

Registration Document of The Royal Bank of Scotland Group: Introduction

The fourth paragraph under the heading “Introduction” on page 1 of the registration document dated 10 March 2010 of RBSG (the “**RBSG Registration Document**”), which is incorporated by reference into the Prospectus, shall be amended by deleting the words:

“and both undated tier 2 and tier 1 notes issued by RBSG “CC” (based on an issuance with coupon deferability)”

and replacing them with the words:

“; undated tier 2 notes issued by RBSG “CC”; and tier 1 notes issued by RBSG “C” (based on an issuance with coupon deferability).”

The fifth paragraph under the heading “Introduction” on page 1 of the RBSG Registration Document, which is incorporated by reference into the Prospectus, shall be amended by inserting the following sentence before the final sentence in that paragraph:

“A “C” rating means that the obligation is regarded as having significant speculative characteristics and while such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.”

No Significant Change: The Royal Bank of Scotland plc

There has been no significant change in the trading or financial position of RBS and its subsidiaries taken as a whole since 31 December 2009 (the end of the last financial period for which either audited financial information or interim financial information has been published).

Directors and Corporate Governance

By virtue of this Supplement, the following paragraph shall be deemed to be inserted at the end of page 50 of the RBSG Registration Document and the registration document dated 10 March 2010 of RBS, each of which is incorporated by reference into the Prospectus:

“Brendan Nelson has been appointed as a Non-executive Director of RBSG and RBS with effect from 1 April 2010. Brendan will succeed Archie Hunter as Chairman of the Group Audit Committee with effect from the conclusion of the Group's Annual General Meeting on 28 April 2010.”

Incorporation of Information by Reference into the Prospectus

The documents set out below which have been (1) previously published and (2) approved by the FSA or filed with it shall be deemed to be incorporated in, and form part of, the Prospectus (other than for the purposes of the Guaranteed Notes):

- (i) the press release of RBSG headed “The Royal Bank of Scotland Group plc (RBSG) - Convertible Preference Share, Employee Deferral Plan and Liability Management” published via the Regulated News Service of the London Stock Exchange plc (the “**RNS**”) on 25 March 2010;
- (ii) the press release of RBSG headed “The Royal Bank of Scotland Group plc Announces Proposed Liability Management Exercise” published via the RNS on 25 March 2010;
- (iii) the press release of RBSG headed “The Royal Bank of Scotland Group plc and National Westminster Bank Public Limited Company Announce a Proposed Liability Management Exercise” published via the RNS on 25 March 2010; and
- (iv) the unaudited annual results of RBS for the year ended 31 December 2009, which were published via the RNS on 31 March 2010.

Disincorporation of Information by Reference into the Prospectus

The unaudited interim results of RBS for the half year ended 30 June 2009, which were published via the RNS on 28 August 2009, which are incorporated by reference in the Prospectus pursuant to the supplementary prospectus dated 10 March 2010 shall, by virtue of this Supplement, no longer be incorporated.

The first paragraph under the heading “No Significant Change and No Material Adverse Change” on page 60 of the registration document dated 10 March 2010 of RBS, which was published via the RNS on 10 March 2010 and incorporated into the Prospectus pursuant to the supplementary prospectus dated 10 March 2010 shall, by virtue of this Supplement, no longer be incorporated into the Prospectus.

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 contained in this Supplement and incorporated by reference into the Prospectus by virtue of this Supplement shall be deemed to be included within the definition of “Disclosure relating to the Issuers”.

A copy of any or all of the information which is incorporated by reference in the Prospectus can be obtained from the website of RBSG at www.rbs.com and 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.