

**SUPPLEMENT DATED 10 JUNE 2010 TO THE PROSPECTUSES DATED 21 AUGUST 2009, THE PROSPECTUS DATED 24 AUGUST 2009, THE PROSPECTUSES DATED 25 SEPTEMBER 2009, THE PROSPECTUS DATED 7 DECEMBER 2009, THE PROSPECTUS DATED 1 APRIL 2010, THE PROSPECTUS DATED 27 APRIL 2010 AND THE PROSPECTUSES DATED 21 MAY 2010**



**The Royal Bank of Scotland plc**

*(incorporated under the laws of Scotland with limited liability under the Companies Act 1948 to 1980, with registered number SC090312)*

**The Prospectuses listed in the schedule hereto**

This Supplement (this **Supplement**) to the Prospectuses dated 21 August 2009, the Prospectus dated 24 August 2009, the Prospectuses dated 25 September 2009, the Prospectus dated 7 December 2009, the Prospectus dated 1 April 2010, the Prospectus dated 27 April 2010 and the Prospectuses dated 21 May 2010 listed in the Schedule hereto (each as supplemented at the date hereof) (the **Prospectuses** and each a **Prospectus**) (each of which comprises a base prospectus), constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the **FSMA**). Terms defined in the Prospectuses have the same meanings when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, each Prospectus and any other supplements to the relevant Prospectus issued by The Royal Bank of Scotland plc (the **Issuer**) as further described in the Schedule hereto.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has 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.

*Disincorporation of information incorporated by reference in each of the Prospectuses*

- (a) The registration document dated 10 March 2010 relating to the Issuer which was published via the Regulatory News Service of the London Stock Exchange plc on 10 March 2010 and incorporated by reference in each of the Prospectuses (as amended, in the case of certain Prospectuses, by virtue of supplementary prospectuses dated 1 April 2010, 15 April 2010, 11 May 2010 and 28 May 2010), shall, by virtue of this Supplement, no longer be incorporated.
- (b) In addition, the following documents or sections of documents which are incorporated by reference in each of the Prospectuses shall, by virtue of this Supplement, no longer be incorporated:
  - (i) the audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2008 together with the audit report thereon;
  - (ii) the relevant sections of the prospectus published on 16 March 2009 in connection with RBSG's placing and open offer of 16,909,716,385 ordinary shares;

- (iii) the section headed “Part IV – Additional Information – 9 Material contracts” on pages 111 to 118 of the Shareholder Circular published by RBSG on 27 November 2009;
- (iv) the press release headed “The Royal Bank of Scotland Group plc (RBSG) - Convertible Preference Share, Employee Deferral Plan and Liability Management”, published via RNS on 25 March 2010;
- (v) the press release headed “The Royal Bank of Scotland Group plc Announces Proposed Liability Management Exercise”, published via RNS on 25 March 2010;
- (vi) the press release headed “The Royal Bank of Scotland Group plc and National Westminster Bank Public Limited Company Announce a Proposed Liability Management Exercise”, published via RNS on 25 March 2010;
- (vii) the press release headed “The Royal Bank of Scotland Group plc launches Upper Tier 2 Exchange Offers and Tier 1 Tender Offers and Announces Further Details of EC Dividend/Coupon Deferral”, published via RNS on 6 April 2010;
- (viii) the press release headed “The Royal Bank of Scotland Group plc and National Westminster Bank Public Limited Company Launch a Cash Tender Offer for Certain Outstanding Securities; Further Details of EC Dividend/Coupon Deferral Announced”, published via RNS on 6 April 2010;
- (ix) the press release of RBSG headed “The Royal Bank of Scotland Group plc Announces Results of Upper Tier 2 Exchange Offers and Aggregate Liquidation Preference/Principal Amount of Tier 1 Securities Validly Tendered as Part of the tender offers”, published via RNS on 28 April 2010;
- (x) the press release of RBSG headed “The Royal Bank of Scotland Group plc Announces Pricing of Upper Tier 2 Exchange Offers, Results of Meetings and Acceptances of Exchange and Tender Offers, published via RNS on 29 April 2010;
- (xi) the press release of RBSG headed “The Royal Bank of Scotland Group plc and National Westminster Bank Public Limited Company Announce Preliminary Results of their Tender Offer”, published via RNS on 4 May 2010;
- (xii) the press release of RBSG headed “The Royal Bank of Scotland Group plc and National Westminster Bank Public Limited Company Announce Final Results of their Tender Offer” published via RNS on 6 May 2010; and
- (xiii) the press release of RBSG headed “Royal Bank of Scotland Group PLC – Final Settlement Reached with the US Dept of Justice” published via RNS on 11 May 2010.

*Incorporation of information incorporated by reference in each of the Prospectuses*

- (a) The registration document dated 10 June 2010 relating to the Issuer which has been (1) previously published and (2) approved by the FSA and filed with it (the **Registration Document**), shall, by virtue of this Supplement, be deemed to be incorporated in, and form part of, each of the Prospectuses.
- (b) In addition, the following documents or sections of documents shall, by virtue of this Supplement be deemed to be incorporated in, and form part of, each of the Prospectuses:

- (i) the annual report and accounts of the Issuer (including the audited consolidated annual financial statements of the Issuer, together with the audit report thereon) for the financial year ended 31 December 2008 (excluding the section headed "Risk Factors" on pages 4 to 11); and
- (ii) The section headed "Impairment Review" on pages 302 to 303 of the 2009 annual report and accounts of RBSG.

*Amendment to the Summary section of certain Prospectuses*

- (a) In the SMTN Programme Prospectus (as defined in the Schedule hereto), the bullet point risk factors under the paragraph headed "Risks relating to the Issuer" in the sub-section of the summary headed "Risk Factors" shall be deleted in their entirety and replaced by the following:

"Noteholders are exposed to the credit risk of the Issuer. If the Issuer fails or becomes insolvent, Noteholders may lose some or all of their investment.

Prospective investors should note that the Issuer is subject to certain general risks including, without limitation, instability in the global financial markets, lack of liquidity, depressed asset valuations and geopolitical conditions and, in addition, certain risks specific to the Issuer including, without limitation, full nationalisation and other resolution procedures under the Banking Act 2009 and risks related to the entry into the asset protection scheme."

- (b) In each of the C&W Programme Prospectus and the Exercisable Certificates/Warrants and Redeemable Certificates Prospectus (each as defined in the Schedule hereto), the bullet point risk factors under the paragraph headed "Risks relating to the Issuer" in the sub-section of the summary headed "Risk Factors" shall be deleted in their entirety and replaced by the following:

"Securityholders are exposed to the credit risk of the Issuer. If the Issuer fails or becomes insolvent, Securityholders may lose some or all of their investment.

Prospective investors should note that the Issuer is subject to certain general risks including, without limitation, instability in the global financial markets, lack of liquidity, depressed asset valuations and geopolitical conditions and, in addition, certain risks specific to the Issuer including, without limitation, full nationalisation and other resolution procedures under the Banking Act 2009 and risks related to the entry into the asset protection scheme."

*Amendment to the Risk Factors section of the Prospectuses*

- (a) In each of the Programme Prospectuses (as defined in the Schedule hereto), the sub-section of the Risk Factors section headed "Risk Factors relating to the Issuer" shall be deleted in its entirety and replaced by the following:

**"RISK FACTORS RELATING TO THE ISSUER**

*Investors should have regard to the risk factors set out on pages 3 to 35 inclusive of the Registration Document."*

- (b) In each of the Structured Note Programme Prospectuses (as defined in the Schedule hereto), the first sentence of the section headed "Risk Factors" shall be deleted in its entirety and replaced by the following:

“The following risk factors shall be read in conjunction with the risk factors as set out on pages 19 to 31 inclusive (*Risk Factors Relating to the Notes*) of the Programme Prospectus and pages 3 to 35 inclusive (*Risk Factors*) of the Registration Document.”

- (c) In each of the Certificate and Warrant Programme Prospectuses (as defined in the Schedule hereto), the first sentence of the section headed “Risk Factors” shall be deleted in its entirety and replaced by the following:

“The following risk factors shall be read in conjunction with the risk factors as set out on pages 15 to 25 inclusive (*Risk Factors Relating to the Securities*) of the Programme Prospectus and pages 3 to 35 inclusive (*Risk Factors*) of the Registration Document.”

- (d) In each of the Asian Put and Call Prospectus and the Autopilot Prospectus (each as defined in the Schedule hereto), the third paragraph onwards of the sub-section of the Risk Factors section headed “Risks relating to the Issuer” shall be deleted in its entirety.

A copy of any or all of the information which is incorporated by reference in each of the Prospectuses can be obtained from the website of the Issuer at [www.rbs.com](http://www.rbs.com) and from the London Stock Exchange’s website at [www.londonstockexchange.com/en-gb/pricesnews/marketnews/](http://www.londonstockexchange.com/en-gb/pricesnews/marketnews/).

If the documents which are incorporated by reference in each of the Prospectuses 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 any of the Prospectuses for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference in, or attached to, each of the Prospectuses by virtue of this Supplement.

To the extent that there is any inconsistency between any statement in or incorporated by reference in each of the Prospectuses by virtue of this Supplement and any other statement in or incorporated by reference in any Prospectus, the statements in or incorporated by reference in each of the Prospectuses by virtue of this Supplement will prevail.

Save as disclosed in this Supplement or any document incorporated by reference in each of the Prospectuses by this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in each of the Prospectuses (as supplemented at the date hereof) since the publication of each of the Prospectuses.

An investor should be aware of its rights arising pursuant to Section 87Q(4) of the FSMA.

## SCHEDULE

### List of Prospectuses

#### Programme Prospectuses

1. Prospectus dated 25 September 2009 relating to the Issuer's Certificate and Warrant Programme, as supplemented on 19 October 2009, 19 November 2009, 30 November 2009, 16 December 2009, 10 March 2010, 24 March 2010, 1 April 2010, 15 April 2010, 11 May 2010 and 28 May 2010 (the **C&W Programme Prospectus**).
2. Prospectus dated 27 April 2010 relating to the Issuer's Structured Note Programme, as supplemented on 11 May 2010 and 28 May 2010 (the **SMTN Programme Prospectus**).

#### Structured Note Programme Prospectuses

3. Prospectus dated 21 August 2009 relating to the issue of Principal-Protected and Non-Principal Protected Notes (Flexi-Payout), as supplemented on 28 August 2009, 8 September 2009, 15 September 2009, 19 November 2009, 20 November 2009, 30 November 2009, 11 December 2009, 16 December 2009, 29 January 2010, 18 February 2010, 10 March 2010, 24 March 2010, 1 April 2010, 15 April 2010, 28 April 2010, 5 May 2010, 11 May 2010 and 28 May 2010 (the **Flexi-Payout Prospectus**).
4. Prospectus dated 21 August 2009 relating to the issue of Fixed Rate, Floating Rate, Range Accrual, Switchable, Inverse Rate and Inflation-linked Notes, as supplemented on 28 October 2009, 19 November 2009, 30 November 2009, 16 December 2009, 10 March 2010, 24 March 2010, 1 April 2010, 15 April 2010, 28 April 2010, 5 May 2010, 11 May 2010 and 28 May 2010 (the **Fixed Rate, Floating Rate, Range Accrual, Switchable, Inverse Rate and Inflation-linked Notes Prospectus**).
5. Prospectus dated 24 August 2009 relating to the issue of Principal-Protected and Non-Principal Protected Index or Equity Linked Notes, as supplemented on 28 August 2009, 8 September 2009, 15 September 2009, 19 November 2009, 20 November 2009, 30 November 2009, 11 December 2009, 16 December 2009, 18 February 2010, 10 March 2010, 24 March 2010, 1 April 2010, 15 April 2010, 28 April 2010, 5 May 2010, 11 May 2010 and 28 May 2010 (the **Accumulator – Bull and Bear Prospectus**).
6. Prospectus dated 21 May 2010 relating to the issue of Principal-Protected and Non-Principal Protected Index, Equity or Currency Linked Notes (Asian Put and Call) (the **Asian Put and Call Prospectus**).
7. Prospectus dated 21 May 2010 relating to the issue of Principal-Protected and Non-Principal Protected Notes Base Prospectus Active Investment Strategy (Autopilot) (the **Autopilot Prospectus**).

#### Certificate and Warrant Programme Prospectuses

8. Prospectus dated 25 September 2009 relating to the issue of Call and Put Warrants (UK Public), as supplemented on 19 November 2009, 30 November 2009, 16 December 2009, 10 March 2010, 24 March 2010, 1 April 2010, 15 April 2010, 11 May 2010 and 28 May 2010 (the **Call and Put Warrants Prospectus**).
9. Prospectus dated 7 December 2009 relating to the issue of Call/Put Warrants, Lock-In Call/Lock-In Put and Digital Call/Digital Put Warrants, as supplemented on 16 December 2009,

10 March 2010, 24 March 2010, 1 April 2010, 15 April 2010, 11 May 2010 and 28 May 2010 (the **Call/Put, Lock-In Call/Put and Digital Call/Put Warrants Prospectus**).

10. Prospectus dated 1 April 2010 relating to the issue of Exercisable Certificates/Warrants and Redeemable Certificates, as supplemented on 15 April 2010, 11 May 2010 and 28 May 2010 (the **Exercisable Certificates/Warrants and Redeemable Certificates Prospectus**).