LaunchPAD Programme

Supplementary Prospectus dated 14 October 2011

EIGHTH SUPPLEMENT TO THE BASE PROSPECTUS IN RESPECT OF THE LAUNCHPAD PROGRAMME FOR THE ISSUANCE OF REVERSE EXCHANGEABLE SECURITIES

The Royal Bank of Scotland plc
(*incorporated in Scotland with limited liability under the Companies Acts 1948 to 1980, registered number SC090312*)
(the **Issuer**)

The Royal Bank of Scotland plc

LaunchPAD Programme

1 This Supplement dated 14 October 2011 (this **Supplement**) constitutes the eighth supplement to the base prospectus dated 27 May 2011 in relation to the Issuer's LaunchPAD Programme for the issuance of Reverse Exchangeable Securities approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the **AFM**) on 26 May 2011 (the **Base Prospectus**).

2 The Base Prospectus was approved as a base prospectus pursuant to Directive 2003/71/EC (the **Prospectus Directive**) by the AFM. This Supplement constitutes a supplemental prospectus to the Base Prospectus for the purposes of Article 5:23 of the Financial Supervision Act (*Wet op het financieel toezicht*).

3 This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements thereto issued by the Issuer. Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

4 In accordance with Article 5:23(6) of the Financial Supervision Act (*Wet op het financieel toezicht*), investors who have agreed to purchase or subscribe for securities issued under the Base Prospectus before this Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplement was published, to withdraw their acceptances.

5 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.

6 On 5 August 2011, the registration document of The Royal Bank of Scotland plc dated 5 August 2011 (the **Registration Document**) was published via the Regulatory News Service of the London Stock Exchange plc. The Registration Document, through a supplement dated 8 August 2011, is incorporated by reference in the Base Prospectus and has previously been filed with the AFM.

7 By virtue of this Supplement, the sentence contained within the section of the Registration Document entitled "Proposed transfers of a substantial part of the business activities of The Royal Bank of Scotland N.V. to The Royal Bank of Scotland plc", on pages 26 and 27 thereof, which reads:

> "Subject to regulatory approval and provided the Court makes an order sanctioning the Part VII Scheme, it is expected that the Part VII Scheme will become effective on 17 October 2011 or such other date as RBS and RBS N.V. may agree in writing."

shall no longer be incorporated by reference in the Base Prospectus and the following new paragraphs shall be inserted in the Base Prospectus at the end of the section entitled "General Information – Recent Developments":

> "**Proposed Transfers**
>
> On 23 September 2011, RBS and RBS N.V. announced that the Court had approved an order under Part VII of the UK Financial Services and Markets Act 2000 to sanction the Part VII Scheme.
>
> The Part VII Scheme, as approved by the Court, will take effect at 00:01hrs on 17 October 2011."

8 By virtue of this Supplement:

8.1 the second sentence of the fourth paragraph on page 1 of the Registration Document, within the section entitled "Introduction", which reads:

> "Fitch Ratings Limited ("**Fitch**") is expected to rate: senior notes issued by RBS with a maturity of one year or more "AA-"; senior notes issued by RBS with a maturity of less than one year "F1+"; and dated subordinated notes and undated tier 2 notes issued by RBS will be rated on a case-by-case basis."

shall no longer be incorporated by reference in the Base Prospectus;

8.2 the sixth paragraph on page 1 of the Registration Document, within the section entitled "Introduction", which reads:

> "As defined by Fitch, an "AA" rating indicates that the Issuer has a very strong capacity for payment of its financial commitments on the relevant notes issued by it and that this capacity is not significantly vulnerable to foreseeable events. As defined by Fitch, an addition of a plus (+) or minus (-) sign denotes relative status within the major rating categories. As defined by Fitch, an "F1" rating indicates that the Issuer has the strongest capacity for timely payment of its financial commitments on the relevant notes issued by it. As defined by Fitch, an addition of a plus (+) to an "F1" rating denotes an exceptionally strong credit feature."

shall no longer be incorporated by reference in the Base Prospectus;

8.3 the wording in the second paragraph on page 2 of the Registration Document, within the section entitled "Introduction", which reads:

> "(iii) the publication entitled "Definitions of Ratings and Other Forms of Opinion January 2011" published by Fitch (available at www.fitchratings.com)."

shall no longer be incorporated by reference in the Base Prospectus; and

8.4 the following shall be inserted in the Base Prospectus at the end of the section entitled "General Information – Recent Developments – Ratings":

"Fitch Ratings Limited ("**Fitch**") is expected to rate: senior notes issued by RBS with a maturity of one year or more "A"; senior notes issued by RBS with a maturity of less than one year "F1"; and dated subordinated notes and undated tier 2 notes issued by RBS will be rated on a case-by-case basis.

As defined by Fitch, an "A" rating indicates that the Issuer has a strong capacity for payment of its financial commitments on the relevant notes issued by it. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings. As defined by Fitch, an "F1" rating indicates that the Issuer has the strongest capacity for timely payment of its financial commitments on the relevant notes issued by it.

The rating definitions set out above constitute third party information and were obtained in the English language from the publication entitled "Definitions of Ratings and Other Forms of Opinion – September 2011" published by Fitch (available at www.fitchratings.com)."

9 A copy of this Supplement, the Base Prospectus and all other supplements thereto and all documents incorporated by reference in the Base Prospectus are accessible on http://markets.rbs.com/bparchive, on the London Stock Exchange plc's website at www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html and can be obtained from the registered office of the Issuer at 36 St. Andrew Square, Edinburgh EH2 2YB, United Kingdom, telephone +33 131 523 3636.

10 To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in the Base Prospectus, the statements referred to in (a) above will prevail.

11 Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus (as supplemented at the date hereof) has arisen or been noted since the publication of the Base Prospectus.

The Royal Bank of Scotland plc