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**LaunchPAD Programme**

**Supplementary Prospectus dated 15 June 2012**

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**FIRST SUPPLEMENT TO THE BASE PROSPECTUS IN RESPECT OF THE LAUNCHPAD PROGRAMME FOR THE ISSUANCE OF CERTIFICATES**



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**The Royal Bank of Scotland plc**

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

**The Royal Bank of Scotland plc LaunchPAD Programme**

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- 1** This Supplement dated 15 June 2012 (this **Supplement**) constitutes the first supplement to the base prospectus dated 25 May 2012 in relation to the Issuer's LaunchPAD Programme for the issuance of Certificates, approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the **AFM**) on 25 May 2012 (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 meanings 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 The purpose of this Supplement is to enable certain Redeemable Certificates to be issued with a nominal amount rather than in the form of units:

- (a) in the Summary, the description relating to the Indicative Issue Price shall be amended to read as follows:

**“Indicative Issue Price:**

The Securities will be issued at a price determined by the Issuer who may, in making such determination, refer to, amongst other factors, the level of the Underlying, the relevant certificate entitlement and any applicable foreign exchange rate(s), or at their nominal amount or a percentage thereof, as specified in the applicable Final Terms.”;

- (b) in the Risk Factors, a new risk factor should be added after “There may be delays in effecting settlement” as follows:

“Additional Securities which have a Nominal Amount may need to be purchased to receive definitive Securities

In relation to any issue of Securities which have a Nominal Amount consisting of a minimum Nominal Amount of EUR 1,000 (or its equivalent in other currencies) (the “**Minimum Nominal Amount**”) plus a higher integral multiple of another smaller amount, it is possible that the Securities may be traded in amounts in excess of the Minimum Nominal Amount that are not integral multiples of the Minimum Nominal Amount. In such a case a Holder who, as a result of trading such amounts, holds a nominal amount of less than the Minimum Nominal Amount will not receive a definitive Security in respect of such holding (should definitive Securities be printed) and would need to purchase a nominal amount of Securities such that it holds an amount equal to one or more Nominal Amounts.”;

- (c) in the Product Conditions relating to Certificate-linked Certificates and Index Express Certificates, the following definition will be added:

““**Nominal Amount**” means the amount specified as such in the definition of the relevant Series in the applicable Final Terms (if any);”;

- (d) in the Product Conditions relating to Certificate-linked Certificates, the definitions of “Cash Amount” and “Early Termination Amount” shall be amended to read as follows:

““**Cash Amount**” means (including, in respect of each Nominal Amount (if applicable)), an amount determined by the Calculation Agent in accordance with the formula specified as such in the definition of the relevant Series in the applicable Final Terms, less Expenses. The Cash Amount shall be converted into the Settlement Currency at the prevailing Exchange Rate, if an Exchange Rate is applicable, and rounded to the nearest two decimal places in the Settlement Currency, 0.005 being rounded downwards”; and

““**Early Termination Amount**” means (including, in respect of each Nominal Amount (if applicable)) an amount determined by the Calculation Agent in accordance with the formula specified as such in the definition of the relevant Series in the applicable Final Terms, less Expenses. The Early Termination Amount shall be converted into the Settlement Currency at the prevailing Exchange Rate, if an Exchange Rate is applicable, and rounded to the nearest two decimal places in the Settlement Currency, 0.005 being rounded downwards”; and

- (e) in the Product Conditions relating to Index Express Certificates, the definitions of “Cash Amount” and “Early Termination Amount” shall be amended to read as follows:

“**Cash Amount**” means (including, in respect of each Nominal Amount (if applicable)), an amount determined by the Calculation Agent in accordance with the formula specified as such in the definition of the relevant Series in the applicable Final Terms, less Expenses. The Cash Amount shall be converted into the Settlement Currency at the prevailing Exchange Rate, if an Exchange Rate is applicable, and rounded to the nearest two decimal places in the Settlement Currency, 0.005 being rounded downwards”; and

“**Early Termination Amount**” means (including, in respect of each Nominal Amount (if applicable)) the amount or amounts specified as such in the definition of the relevant Series in the applicable Final Terms as determined by or on behalf of the Calculation Agent”;

(f) in the Form of Final Terms relating to Certificate-linked Certificates:

(i) a definition of Nominal Amount shall be added as follows:

“Nominal Amount: [ ] *[If the Securities are issued pursuant to a prospectus which is required to be compliant with the Prospectus Directive, then the minimum denomination of the Securities may need to be Euro 1,000 (or its foreign currency equivalent)]* [Not Applicable]”;

(ii) the definition of Cash Amount shall be amended to read as follows:

“Cash Amount: [[Nominal Amount x] [Final Reference Price / Initial Reference Price]] *[Specify other]*”; and

(iii) the definition of Early Termination Amount shall be amended to read as follows:

“Early Termination Amount: [[Nominal Amount x] [Early Termination Reference Price / Initial Reference Price]] *[Specify other]* [Not Applicable]”; and

(g) in the Form of Final Terms relating to Index Express Certificates:

(i) a definition of Nominal Amount shall be added as follows:

“Nominal Amount: [ ] *[If the Securities are issued pursuant to a prospectus which is required to be compliant with the Prospectus Directive, then the minimum denomination of the Securities may need to be Euro 1,000 (or its foreign currency equivalent)]* [Not Applicable]”; and

(ii) the definition of Early Termination Amount shall be amended to read as follows:

“Early Termination Amount: [ ] [[ ] per Nominal Amount] [Not Applicable]”.

7 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> or <http://markets.rbs.com/launchpad> and can be obtained from the registered office of the Issuer at 36 St. Andrew Square, Edinburgh EH2 2YB, United Kingdom, telephone +44 131 523 3636 or e-mail [investor.relations@rbs.com](mailto:investor.relations@rbs.com).

8 To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference in the Base Prospectus by virtue of this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements referred to in (a) above will prevail.

- 9 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**