ROYAL BANK OF SCOTLAND PLC
Form 424B5
December 05, 2011

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities Offered	Maximum Aggregate Offering Price	Amount of Registration Fee (1)
Notes	$721,000.00	$82.63

(1) Calculated in accordance with Rule 457(r) of the Securities Act of 1933.

nt No. SHIELDS-1 dated April 5, 2011 Registration Statement Nos.
)10

The Royal Bank of Scotland plc (Issuer)
The Royal Bank of Scotland Group plc (Guarantor)

$721,000
RBS Capped Market-Linked Notes
Linked to the S&P 500® Index
100% repayment of principal at maturity, subject to the credit risk of RBS and RBSG

n 100% upside participation at maturity in any increase in the level of the S&P 500® Index, subject to a maximum return of 65% over the Original Offering Price.

n 100% repayment of principal at maturity, subject to the creditworthiness of The Royal Bank of Scotland plc, as the issuer, and The Royal Bank of Scotland Group plc, as the guarantor of the issuer's obligations under the securities.

n 5.5-year term.

n No periodic interest payments.

n No listing on any securities exchange.

$1,000 principal amount per RBS Capped Market-Linked Note

Pricing Date:	December 2, 2011
Settlement Date:	December 6, 2011
Maturity Date:	June 7, 2017
CUSIP / ISIN No.:	78009PCD1 / US78009PCD15

The RBS Capped Market-Linked Notes Linked to the S&P 500® Index due June 7, 2017 (together with the related guarantees, the "securities") involve risks not associated with an investment in conventional debt securities. See "Risk Factors" beginning on page PS-6 of this pricing supplement and beginning on page S-14 of Product Prospectus Supplement No. SHIELDS-1 (the "product supplement").
The securities are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other government agency.
The Securities and Exchange Commission and state securities regulators have not approved or disapproved the securities, or determined if this pricing supplement, the product supplement or the prospectus are truthful or

complete. Any representation to the contrary is a criminal offense.

	Per security	Total
Original Offering Price (1)	$ 1,000.00	$ 721,000.00
Underwriting discount	$ 39.50	$ 28,479.50
Proceeds, before expenses, to The Royal Bank of Scotland plc	$ 960.50	$ 692,520.50

(1) The value you might expect to receive if you were able to resell the securities on the pricing date is less than the Original Offering Price. This is because the Original Offering Price includes the underwriting discount set forth above and also reflects our cost of hedging our obligations under the securities. For additional information, see "Risk Factors—The value of your securities on the pricing date is less than the Original Offering Price due to the underwriting discount and our cost of hedging, both of which can be expected to be reflected in secondary market prices" on page S-18 of the product supplement. The Original Offering Price also does not include fees that you may be charged if you buy the securities through your registered investment advisers for managed fee-based accounts.

RBS Securities Inc.

December 2, 2011

THE ROYAL BANK OF SCOTLAND PLC
RBS Capped Market-Linked Notes
Linked to the S&P 500® Index due June 7, 2017

Summary

The RBS Capped Market-Linked Notes Linked to the S&P 500® Index due June 7, 2017 (together with the related guarantees, each, a "security" and collectively, the "securities") are senior unsecured obligations issued by us, The Royal Bank of Scotland plc, and are fully and unconditionally guaranteed by our parent company, The Royal Bank of Scotland Group plc. The securities will rank equally with all of our other senior unsecured indebtedness from time to time outstanding, and any payments due on the securities, including any repayment of principal, will be subject to the ability of RBS, as the issuer of the securities, and RBSG, as the guarantor of the issuer's obligations under the securities, to pay their respective obligations as they become due. The securities provide investors with 100% participation in an increase, if any, in the level of the S&P 500® Index (the "Underlying Equity Index") from the Initial Value to the Final Value. Investors will not receive any interest payments, the return on the securities will never exceed the Capped Return, and the Payment at Maturity will never exceed the Maximum Payment per Security.

Capitalized terms used but not defined in this pricing supplement have the meanings set forth in the product supplement.

Key Terms	
Issuer:	The Royal Bank of Scotland plc ("RBS")
Guarantor:	The Royal Bank of Scotland Group plc ("RBSG")
Original Offering Price:	$1,000 per security
Term:	5.5 years
Underlying Equity Index:	The S&P 500® Index (Bloomberg ticker: SPX)
Participation Rate:	100%. This represents participation on a one-to-one basis in any increase in the level of the Underlying Equity Index from the Initial Value to the Final Value, subject to the Capped Return.
Initial Value:	1244.28
Final Value:	The closing level of the Underlying Equity Index on the Valuation Date.
Reference Return:	Measures the percentage increase or decrease in the level of the Underlying Equity Index from the Initial Value to the Final Value, and will be equal to: $\frac{\text{Final Value} - \text{Initial Value}}{\text{Initial Value}}$
Capped Return:	65% over the Original Offering Price per security. The Capped Return represents a return over the full term of the security and not an annualized return.
	$1,650 per security.

Maximum Payment per Security:	
Valuation Date:	June 2, 2017, If a Market Disruption Event occurs or is continuing on the scheduled Valuation Date or if the scheduled Valuation Date is not a Market Measure Business Day, the Valuation Date will be postponed as described in the accompanying product supplement under "Description of the Securities—The Initial Value and the Final Value" and "Description of the Securities—Market Disruption Events."
Maturity Date:	June 7, 2017. If the Valuation Date is postponed, the Maturity Date will be the third business day following the Valuation Date, as postponed.
Payment at Maturity:	On the Maturity Date, you will be entitled to receive a cash payment per security determined by the Calculation Agent as described on the following page.
Minimum Payment per Security:	$1,000 per security at maturity, subject to the credit risk of the Issuer and the Guarantor.
Calculation Agent:	RBS Securities Inc., an affiliate of RBS

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Determining the Payment at Maturity

On the Maturity Date, you will be entitled to receive a cash payment per security calculated as follows:

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Examples of Payment at Maturity Calculations

Set forth below are three hypothetical examples of Payment at Maturity calculations (rounded to two decimal places), reflecting the following values and hypothetical data:

the Minimum Payment per Security of $1,000;

the Participation Rate of 100%;

the Initial Value of 1,244.28; and

the Capped Return of 65% over the Original Offering Price per security.

Any payment at maturity is subject to the ability of RBS, as the issuer of the securities, and RBSG, as the guarantor of the issuer's obligations under the securities, to pay their respective obligations as they become due.

EXAMPLE 1 — The hypothetical Final Value is 871.00 (which is 30% below the Initial Value):

$$\text{Reference Return} = \frac{871.00 - 1{,}244.28}{1{,}244.28} = -30\%$$

Payment at Maturity (per security) will be equal to the greater of:

(a) $1,000 (the Minimum Payment per Security); and

(b) $1,000 + ($1,000 x -30%) = $700.

Payment at Maturity (per security) = $1,000 (i.e., a 100% repayment of principal).

The Payment at Maturity is equal to the Minimum Payment per Security of $1,000 (100% of the Original Offering Price).

EXAMPLE 2 — The hypothetical Final Value is 1,617.56 (which is 30% above the Initial Value):

$$\text{Reference Return} = \frac{1{,}617.56 - 1{,}244.28}{1{,}244.28} = 30\%$$

Payment at Maturity (per security) will be equal to the lesser of:

(a) $1,000 + ($1,000 x 100% x 30%) = $1,300; and

(b) $1,000 + ($1,000 x 65%) = $1,650.

Payment at Maturity (per security) = $1,300 (i.e., a 30% return).

EXAMPLE 3 — The hypothetical Final Value is 2,239.70 (which is 80% above the Initial Value):

$$\text{Reference Return} = \frac{2{,}239.70 - 1{,}244.28}{1{,}244.28} = 80\%$$

Payment at Maturity (per security) will be equal to the lesser of:

(a) $1,000 + ($1,000 x 100% x 80%) = $1,800; and

(b) $1,000 + ($1,000 x 65%) = $1,650.

Payment at Maturity (per security) = $1,650 (i.e., a 65% return).

The Payment at Maturity cannot exceed the Maximum Payment per Security.

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Hypothetical Payout Profile and Payment at Maturity

For purposes of illustration only, the Hypothetical Payout Profile and Hypothetical Payment at Maturity below reflect the hypothetical returns at maturity and hypothetical payments at maturity per security for a range of hypothetical Final Values of the Underlying Equity Index from +100% to -100%. Because the Underlying Equity Index is a price return index, the hypothetical Final Values presented below will not include any income generated by dividends paid on the stocks included in the Underlying Equity Index, which you would otherwise be entitled to receive if you invested in those stocks directly.

The graph and chart reflect the Participation Rate of 100%, the Initial Value of 1,244.28, the Minimum Payment per Security of $1,000, the Capped Return of 65% over the Original Offering Price per security, and the Maximum Payment per Security of $1,650. The actual Payment at Maturity that you are entitled to receive and the resulting return on your investment will depend on the actual Final Value, which will be determined on the Valuation Date.

Any payment at maturity is subject to the ability of RBS, as the issuer of the securities, and RBSG, as the guarantor of the issuer's obligations under the securities, to pay their respective obligations as they become due.

HYPOTHETICAL PAYOUT PROFILE

Capped Market-Linked Notes

This graph reflects the hypothetical returns on the securities at maturity. The green line reflects the hypothetical returns on the securities, while the dotted line reflects the return of a hypothetical direct investment in the stocks included in the Underlying Equity Index, excluding dividends.

HYPOTHETICAL PAYMENT AT MATURITY

Final Value	Reference Return	Return on the Securities	Payment at Maturity per Security
2488.56	100.00%	65.00%	$1,650.00
2364.13	90.00%	65.00%	$1,650.00
2239.70	80.00%	65.00%	$1,650.00
2115.28	70.00%	65.00%	$1,650.00
2053.06	65.00%	65.00%	$1,650.00
1990.85	60.00%	60.00%	$1,600.00
1866.42	50.00%	50.00%	$1,500.00
1741.99	40.00%	40.00%	$1,400.00
1617.56	30.00%	30.00%	$1,300.00

1493.14	20.00%	20.00%	$1,200.00
1368.71	10.00%	10.00%	$1,100.00
1306.49	5.00%	5.00%	$1,050.00
1244.28	0.00%	0.00%	$1,000.00
1119.85	-10.00%	0.00%	$1,000.00
995.42	-20.00%	0.00%	$1,000.00
871.00	-30.00%	0.00%	$1,000.00
746.57	-40.00%	0.00%	$1,000.00
622.14	-50.00%	0.00%	$1,000.00
497.71	-60.00%	0.00%	$1,000.00
373.28	-70.00%	0.00%	$1,000.00
248.86	-80.00%	0.00%	$1,000.00
124.43	-90.00%	0.00%	$1,000.00
0.00	-100.00%	0.00%	$1,000.00

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Risk Factors

There are important differences between the securities and a conventional debt security. An investment in the securities involves significant risks, including those listed below. You should carefully review the more detailed explanation of risks relating to the securities in the "Risk Factors" sections beginning on page S-14 of the product supplement. We also urge you to consult with your investment, legal, accounting, tax, and other advisors before you invest in the securities.

The securities are not conventional debt securities—they do not pay interest.

The credit risk of The Royal Bank of Scotland plc and The Royal Bank of Scotland Group plc, and their credit ratings and credit spreads may adversely affect the value of the securities.

The return on your initial investment is limited to the Capped Return and your Payment at Maturity is limited to the Maximum Payment per Security.

The Payment at Maturity will depend on the Final Value, which is determined only on a valuation date shortly before the maturity date.

The securities may not be a suitable investment for you.

Although we are a bank, the securities are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other government agency.

The securities will not be listed on any securities exchange and there may be little or no secondary market for the securities.

The value of the securities prior to maturity will be influenced by many unpredictable factors, and may be less than the Original Offering Price.

In the event that we or RBSG, as guarantor, exercise our option to redeem the securities, as described in the section of the product supplement entitled "Description of the Securities—Optional Tax Redemption," the amount of cash you will be entitled to receive upon redemption of the securities is uncertain.

An increase in the level of the Underlying Equity Index may not increase the value of your securities.

The value of your securities on the pricing date is less than the Original Offering Price due to the underwriting discount and our cost of hedging, both of which can be expected to be reflected in secondary market prices.

Hedging and trading activities by us or our affiliates may adversely affect your return on the securities and the value of the securities.

There may be potential conflicts of interest between security holders and the calculation agent or other of our affiliates.

RBSSI and its affiliates may publish reports, express opinions or provide recommendations that are inconsistent with investing in or holding the securities. Any such reports, opinions or recommendations could affect the value of the Underlying Equity Index and therefore the value of the securities.

An investment in the securities is not the same as a direct investment in the Underlying Equity Index or in the securities that comprise the Underlying Equity Index.

Adjustments to the Underlying Equity Index could adversely affect the securities.

We may engage in business with or involving one or more of the issuers of the securities comprising the Underlying Equity Index without regard to your interests.

We do not control any issuer whose securities comprise the Underlying Equity Index and we are not responsible for any of their disclosure.

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Investor Considerations

You may wish to consider an investment in the securities if:

You anticipate that the level of the Underlying Equity Index will increase moderately from the Initial Value to the Final Value.

You accept that the return on the securities will not exceed the Capped Return.

You do not seek a current income stream from your investment.

You are willing to forgo interest payments on the securities such as fixed or floating rate interest paid on traditional interest bearing debt securities.