ROYAL BANK OF SCOTLAND PLC
Form 424B5
July 20, 2011

The information in this preliminary pricing supplement is not complete and may be changed. A registration statement relating to the securities has been filed with the Securities and Exchange Commission. This preliminary pricing supplement is not an offer to sell these securities and is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale of securities is not permitted.

Preliminary Pricing Supplement No. 97	Filed pursuant to Rule 424(b)(5)
to Product Prospectus Supplement No. R-1 dated	Registration Statement Nos. 333-162219
May 3, 2011	and 333-162219-01
and Prospectus dated May 18, 2010	July 20, 2011

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

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RBS Capped Callable Leveraged Steepener Notes
Linked to the Difference between CMS30 and CMS2 due August , 2031

- Interest will be payable quarterly on the th of each February, May, August and November, commencing November , 2011.

- The initial interest rate will be 11.125% per annum from, and including, August , 2011 to, but excluding, August , 2012 (the first year of the term of the securities).

- Thereafter, the per annum interest rate for each quarter will be equal to the product of (i) 4 and (ii) a quantity equal to the applicable Reference Rate minus 0.25%, subject to a minimum interest rate of 0.00% per annum and a maximum interest rate of 11.125% per annum.

- The Reference Rate is an amount equal to the 30-Year U.S. Dollar Constant Maturity Swap Rate ("CMS30") minus the 2-Year U.S. Dollar Constant Maturity Swap Rate ("CMS2"), in each case in respect of the applicable reference rate determination date.

- Subject to early redemption at our option on the th of each February, May, August and November, commencing on August , 2012.

- 100% repayment of principal plus any accrued and unpaid interest at maturity. All payments of interest and repayment of principal at maturity are 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.

$1,000 principal amount per RBS Capped Callable Leveraged Steepener Note

Expected* dates:

Pricing Date:	August 9, 2011
Settlement Date:	August 12, 2011
Maturity Date:	August 12, 2031

CUSIP / ISIN No.: 78009PBE0 / US78009PBE07

*Expected. In the event that we make any change to the expected pricing date or settlement date, the maturity date will be changed so that the stated term of the securities remains the same. See also "Clearance and Settlement" on page PS-11 of this pricing supplement.

- 20-year term (approximately).
- No listing on any securities exchange.

The RBS Capped Callable Leveraged Steepener Notes Linked to the Difference between CMS30 and CMS2 due August , 2031 (together with the related guarantees, the "securities") involve risks not associated with an investment in conventional debt securities. See "Risk Factors" and "Additional Risk Factors" on page PS-5 of this pricing supplement and beginning on page S-10 of Product Prospectus Supplement No. R-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	$
Underwriting discount (2)	$	$
Proceeds, before expenses, to The Royal Bank of Scotland plc	$	$

(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-13 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.
(2) If the securities were priced for sale today, RBS Securities Inc. ("RBSSI") would receive a commission of approximately $47.50 per security, and RBSSI would use a portion of that commission to pay selling concessions to other dealers of approximately $45.00 per security. The actual commission received by RBSSI may be more or less than $47.50 per security, and will depend on market conditions on the pricing date. In no event will the commission received by RBSSI, including concessions to be allowed to other dealers, exceed $50.00 per security. For additional information see "Supplemental Plan of Distribution (Conflicts of Interest)" in this pricing supplement.

RBS Securities Inc.
August , 2011

THE ROYAL BANK OF SCOTLAND PLC
RBS Capped Callable Leveraged Steepener Notes
Linked to the Difference between CMS30 and
CMS2 due August , 2031

Summary

The RBS Capped Callable Leveraged Steepener Notes Linked to the Difference between CMS30 and CMS2 due August , 2031 (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 quarterly interest payments. The securities will accrue interest at the rate of 11.125% per annum for the first year of the term of the securities. Thereafter, the securities will accrue interest at an annual rate based on the product of (i) the spread multiplier of 4 and (ii) a quantity equal to the applicable Reference Rate minus a spread of 0.25%, as described below, subject to a minimum interest rate of 0.00% per annum and a maximum interest rate of 11.125% per annum. We will pay to you at maturity the principal amount of your securities plus any accrued and unpaid interest, subject to our credit risk.

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:	20 years (approximately)
Maturity Date:	August , 2031. If the scheduled Maturity Date is not a business day, we will make the required payment on the next business day and no additional interest will accrue in respect of the payment made on the next business day.
Payment at Maturity:	On the Maturity Date, you will be entitled to receive the principal amount and any accrued and unpaid interest on the securities, subject to the credit risk of RBS, as issuer of the securities, and RBSG, as the guarantor of the issuer's obligations under the securities.
Interest Rates:	Interest on the securities will accrue at the following rates: · 11.125% per annum from, and including, August , 2011 to but excluding August , 2012 (the first year of the term of the securities); and · thereafter, the per annum interest rate with respect to each Interest Determination Period will be equal to the product of (i) the spread multiplier of 4 and (ii) a quantity equal to the applicable Reference

	Rate minus a spread of 0.25%, subject to a minimum interest rate of 0.00% per annum and a maximum interest rate of 11.125% per annum. Interest on the securities will be calculated on the basis of a 360-day year of twelve 30-day months and interest rates will be rounded to five decimal places.
Interest Payment Dates:	th of each February, May, August and November, beginning on November , 2011. If any Interest Payment Date falls on a day that is not a business day, we will make the required payment on the next business day and no additional interest will accrue in respect of the payment made on the next business day.
Fixed Rate Interest Determination Period:	Each Interest Determination Period from, and including, the original date of issuance of the securities to, but excluding, August , 2012.
Floating Rate Interest Determination Period:	Each Interest Determination Period from, and including, August , 2012, to but excluding the Early Redemption Date or the Maturity Date.
Interest Reset Dates:	The first day of each Interest Determination Period, commencing on August , 2012. If any Interest Reset Date falls on a day that is not a business day, the Interest Reset Date will be postponed to the next succeeding business day.
Interest Determination Periods:	Quarterly. The first Interest Determination Period will commence on, and will include, the original date of issuance of the securities on August , 2011, and will end on, but will exclude, the first Interest Payment Date. Thereafter, each Interest Determination Period will commence on, and will include, an Interest Payment Date, and will extend to, but will exclude, the next succeeding Interest Payment Date, the Early Redemption Date or the Maturity Date, as applicable.
Reference Rate:	The calculation agent will determine the Reference Rate by subtracting CMS2 from CMS30, rounding to five decimal places, on the second U.S. Government Securities Business Day (the "reference rate determination date") prior to the relevant Interest Reset Date, as described more fully under the heading "The Reference Rate" in this pricing supplement.
CMS30:	The fixed rate of interest payable on an interest rate swap with a 30-year maturity as reported on Reuters Page ISDAFIX3 or any successor page thereto at 11:00 a.m. New York City time on the relevant reference rate determination date.
CMS2:	The fixed rate of interest payable on an interest rate swap with a 2-year maturity as reported on Reuters Page ISDAFIX3 or any successor page thereto at 11:00 a.m. New York City time on the relevant reference rate determination date.
Optional Early Redemption:	We have the right to redeem all, but not less than all, of the securities at our option quarterly on the th of each February, May, August and November (each, an "Early Redemption Date"), beginning on August , 2012. The redemption price will be 100% of the principal amount of the securities redeemed, plus any accrued and unpaid interest to, but excluding, the Early Redemption Date that we specify. In order to redeem the securities, we will give notice to the security holders not

	less than 30 nor more than 60 calendar days before the specified Early Redemption Date.
Calculation Agent:	RBS Securities Inc., an affiliate of RBS

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Examples of Interest Rate Calculations

Set forth below are four hypothetical examples of the calculation of the rates at which interest would accrue on the securities after the first year of the term of the securities. The examples show, for the quarterly Interest Determination Period commencing on, and including, August , 2012 to, but excluding, November , 2012, the calculations for (i) the applicable per annum interest rate (rounded to five decimal places) and (ii) the interest payment for the corresponding Interest Payment Date of November , 2012 (rounded to two decimal places), based on hypothetical CMS30 and CMS2 rates for the Interest Determination period commencing on August , 2012, the spread multiplier of 4, the spread of 0.25%, a minimum interest rate of 0.00% per annum and a maximum interest rate of 11.125% per annum.

These examples are for purposes of illustration only. The actual interest that will accrue on the securities after the first year of its term will depend on the actual CMS30 and CMS2 rates on the relevant reference rate determination date applicable to the relevant Interest Determination Period.

EXAMPLE 1 — The hypothetical CMS30 is substantially greater than the hypothetical CMS2.

Hypothetical CMS30:	4.23%

Hypothetical CMS2: 0.55%
The hypothetical Reference Rate for the Interest Determination Period would be: 4.23% - 0.55% = 3.68000%
The hypothetical annual rate of interest for the Interest Determination Period would be:

Spread multiplier x (Reference Rate – Spread)	= 4 x (3.68000% – 0.25%)
	= 13.72000%

Because the annualized interest rate applicable to any interest period cannot be greater than the maximum interest rate, the hypothetical interest rate for the Interest Determination Period would be equal to 11.12500% per annum. If the rate of interest on the securities were determined based on current levels of CMS30 and CMS2, a spread multiplier of 4 and a spread of 0.25%, the interest rate would exceed the maximum interest rate payable on the securities. Because the interest rate payable on the securities is limited to the maximum interest rate, interest payable on the securities will never exceed 11.12500%. See “Additional Risk Factors” on PS-5.

Hypothetical interest rate for the Interest Determination Period	= 11.12500% x (90 / 360)
	= 2.78125%
Hypothetical interest payment on the Interest Payment Date	= $1,000 x 2.78125%
	= $27.81 per security

EXAMPLE 2 — The hypothetical CMS30 is greater than the hypothetical CMS2, and the Reference Rate is greater than the spread.

Hypothetical CMS30:	3.78%

Hypothetical CMS2: 0.93%
The hypothetical Reference Rate for the Interest Determination Period would be: 3.78% - 0.93% = 2.85000%
The hypothetical annual rate of interest for the Interest Determination Period would be:

Spread multiplier x (Reference Rate – Spread)	= 4 x (2.85000% - 0.25%)
	= 10.40000%
Hypothetical interest rate for the Interest Determination Period	= 10.40000% x (90 / 360)
	= 2.60000%
Hypothetical interest payment on the Interest Payment Date	= $1,000 x 2.60000%
	= $26.00 per security

EXAMPLE 3 — The hypothetical CMS30 is greater than the hypothetical CMS2, and the Reference Rate is less than the spread.

Hypothetical CMS30: 3.05%
Hypothetical CMS2: 2.83%
The hypothetical Reference Rate for the Interest Determination Period would be: 3.05% - 2.83% = 0.22000%
The hypothetical annual rate of interest for the Interest Determination Period would be:

Spread multiplier x (Reference Rate – Spread)	= 4 x (0.22000% - 0.25%)
	= -0.12000%
	= 0.00000%

Because the annualized interest rate applicable to any interest period cannot be less than the minimum interest rate, the hypothetical interest rate for the Interest Determination Period would be equal to 0.00000% per annum, and the hypothetical interest payment on the Interest Payment date would be $0.00 per security.

EXAMPLE 4 — The hypothetical CMS30 is less than the hypothetical CMS2.

Hypothetical CMS30: 2.37%
Hypothetical CMS2: 2.78%
The hypothetical Reference Rate for the Interest Determination Period would be: 2.37% - 2.78% = -0.41000%
The hypothetical annual rate of interest for the Interest Determination Period would be:

Spread multiplier x (Reference Rate – Spread)	= 4 x (-0.41000% - 0.25%)
	= -2.64000%
	= 0.00000%

Because the annualized interest rate applicable to any interest period cannot be less than the minimum interest rate, the hypothetical interest rate for the Interest Determination Period would be equal to 0.00000% per annum, and the hypothetical interest payment on the Interest Payment date would be $0.00 per security.

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Hypothetical Coupon Payment Profile

The table below illustrates for a range of hypothetical Reference Rates from -1.50% to 4.00% the hypothetical rates at which interest may accrue on the securities commencing on August , 2012 and the hypothetical interest payments that may be payable commencing on November , 2012, in each case to the Early Redemption Date or the Maturity Date, as applicable. The illustration below reflects the spread multiplier of 4, the spread of 0.25%, the minimum interest rate of 0.00% and the maximum interest rate of 11.125%. These examples are for purposes of illustration only. The actual interest that will accrue on the securities after the first year of the term of the securities will depend on the actual CMS30 and CMS2 rates on the relevant reference rate determination date applicable to the relevant Interest Determination Period.

Any payment on the securities (including the interest payments and the 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.

Reference Rate(1)	Interest Rate (per annum)(2)	Quarterly Interest Payment (per security)(3)
-1.500%	0.000%	$0.00
-1.250%	0.000%	$0.00
-1.000%	0.000%	$0.00
-0.750%	0.000%	$0.00
-0.500%	0.000%	$0.00
-0.250%	0.000%	$0.00
0.000%	0.000%	$0.00
0.250%	0.000%	$0.00
0.500%	1.000%	$2.50
0.750%	2.000%	$5.00
1.000%	3.000%	$7.50
1.250%	4.000%	$10.00
1.500%	5.000%	$12.50
1.750%	6.000%	$15.00
2.000%	7.000%	$17.50
2.250%	8.000%	$20.00
2.500%	9.000%	$22.50
2.750%	10.000%	$25.00
3.000%	11.000%	$27.50
3.031%	11.125%	$27.81
3.250%	11.125%	$27.81
3.500%	11.125%	$27.81
3.750%	11.125%	$27.81
4.000%	11.125%	$27.81

(1) The Reference Rate will be equal to CMS30 minus CMS2, each as determined by the calculation agent on the reference rate determination date applicable to the relevant Interest Determination Period.

(2) The interest rate per annum applicable to each quarterly Interest Determination Period will be equal to 4 x (Reference Rate – 0.25%), subject to a minimum interest rate of 0.00% and a maximum interest rate of 11.125%.

(3) The quarterly interest payment payable per security on each Interest Payment Date will be equal to the applicable interest rate per annum x $1,000 x (90 / 360).

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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-10 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.

- It is possible that you may receive below-market interest in respect of one or more Fixed Rate Interest Determination Periods.
- It is possible that you may receive no interest, or only a limited amount of interest, in respect of one or more Floating Rate Interest Determination Periods.
- Your yield may be less than the yield on a conventional debt security of comparable maturity.
- 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.
- Your return will be limited by the maximum interest rate.
- Because the securities accrue interest at a floating rate during the Floating Rate Interest Determination Periods, you may receive a lesser amount of interest in the future.
- The securities will be subject to early redemption at our option.
- 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.
- 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.
- 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 cash you will receive upon redemption of the securities is uncertain.

- Hedging and trading activities by us or our affiliates may adversely affect your return on the securities and the value of the fixed-to-floating rate 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 level of the Reference Rate and therefore the value of the securities.

Additional Risk Factors

- The value of the securities prior to maturity and the return on your investment will depend substantially on the extent to which CMS30 exceeds CMS2. Interest payable on the securities after the first year of the term of the securities during any interest determination period will be based on the difference between long-term interest rates (as measured by CMS30) and short-term interest rates (as measured by CMS2), less a spread. Although long-term interest rates tend to directionally follow short-term interest rates, day-to-day movements of long-term interest rates generally are smaller than day-to-day movements short-term interest rates. As such, when CMS30 is greater than CMS2 and short-term interest rates rise, the difference between CMS30 and CMS2 tends to narrow (the curve of the spread flattens); conversely, if short term interest rates fall, the spread widens (the curve of the spread becomes steeper). Interest payable on the securities will be greater the wider the spread between CMS30 and CMS2 (assuming that CMS30 is greater), and the steeper the curve of the spread during the term of the securities. Accordingly, the value of the securities and the return on your investment will depend substantially on the extent to which CMS30 exceeds CMS2.

- If the rate of interest on the securities were determined based on current levels of CMS30 and CMS2, a spread multiplier of 4 and a spread of 0.25%, the interest rate would exceed the maximum interest rate payable on the securities. As of the close of business on July 20, 2011, CMS30 was 3.91500% and CMS2 was 0.65800%. Assuming that July 20, 2011 were a reference rate determination date, the annual rate of interest that would have applied to your securities, if not for the fixed rate of interest applicable for the first year of the term of the securities and the cap imposed by the maximum interest rate, would have been 12.02800%. Because the annualized interest rate applicable to any interest period cannot be greater than the maximum interest rate of 11.125%, your return on the securities is limited and will never exceed the maximum interest rate.

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Investor Considerations

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

- You seek an investment linked to the difference between CMS30 and CMS2.
- You anticipate that, after the first year of the term of the securities, the difference between CMS30 and CMS2 on each reference rate determination date will be sufficient to provide you with your desired return.
- With respect to the Fixed Rate Interest Determination Periods (during the first year of the term of the securities), you are willing to assume the risk that market interest rates may be greater than the applicable interest rate on your securities.
- With respect to the Floating Rate Interest Determination Periods (after the first year of the term of the securities), you are willing to have interest accrue based on the difference between CMS30 and CMS2, and you accept that the securities may pay no interest, or may pay interest at a very low rate.
- You accept that the interest rate on your securities applicable to any Floating Rate Interest Determination Period will be capped at the maximum interest rate of 11.125% per annum.
- You are willing to accept the risk that the securities may be called prior to maturity and you may be unable to reinvest the proceeds of such redemption at the same rate of interest.
- You are willing to accept that a trading market is not expected to develop for the securities, and you understand that secondary market prices for the securities, if any, will be affected by various factors, including the actual and perceived creditworthiness of RBS, as the issuer of the securities, and RBSG, as the guarantor of the issuer's obligations under the securities.
- You are able to and willing to hold the securities until maturity.
- You are willing to make an investment, the payments on which depend on the creditworthiness of RBS, as the issuer of the securities, and RBSG, as the guarantor of the issuer's obligations under the securities.

The securities may not be an appropriate investment for you if:

- You do not seek an investment linked to the difference between CMS30 and CMS2.
- You anticipate that, after the first year of the term of the securities, the difference between CMS30 and CMS2 on each reference rate determination date will not be sufficient to provide you with your desired return.
- You are unwilling to forgo guaranteed market rates of interest for the term o