

RBS CAPITAL TRUST D

(the "Trust")

NOTICE OF REDEMPTION

To the Holders of
£400,000,000 Fixed/Floating Rate Non-cumulative Trust Preferred Securities
(the "Trust Preferred Securities")

ISIN: XS0277453774

Common Code: 027745377

IRREVOCABLE NOTICE IS HEREBY GIVEN on the date hereof (the "**Redemption Notice Date**") pursuant to Section 8.3 of the Amended and Restated Declaration of Trust dated 8 December 2006 of the Trust (the "**Declaration of Trust**") that as a result of the Partnership exercising its rights pursuant to Section 5.3.5(ii) of the Amended and Restated Limited Partnership Agreement dated 8 December 2006 of RBS Capital LP D (the "**Partnership Agreement**") all of the Trust Preferred Securities issued by the Trust shall be redeemed by the Trust on 8 June 2017 (the "**Redemption Date**") at a price equal to the principal amount of the redeemed Trust Preferred Securities plus accrued interest to the date of redemption and any Distributions payable in accordance with the terms of the Trust Preferred Securities which remain unpaid, without interest. The record date in respect of redemption of the Trust Preferred Securities is 7 June 2017. The Trust Preferred Securities will be redeemed in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg.

NOTICE IS HEREBY FURTHER GIVEN that Distributions on the redeemed Trust Preferred Securities shall cease to accrue after the Redemption Date, unless the Redemption Amount in respect of the Trust Preferred Securities is improperly withheld or refused and not paid in full on that date, in which case distributions will continue to accrue pursuant to the terms of the Declaration of Trust.

Terms used but not defined herein shall have the meaning given to them in the Declaration of Trust and the Partnership Agreement.


Dated: 31 March 2017

Neither the Trust nor the Trustee makes any representation as to the accuracy of the ISIN and Common Code numbers, which are provided for convenient reference only.

RBS CAPITAL TRUST D

By **RBS CAPITAL LP D**
as Administrator

By **RBSG Capital Corporation**
as General Partner

By 
Name: Robert Begbie
Title: Director