

THE ROYAL BANK OF SCOTLAND GROUP plc

(the "**Bank**")

NOTICE OF REDEMPTION

To the Holder of its
US\$1,000,002,000 Floating Rate Callable Subordinated Notes due 2044
(the "**Subordinated Notes**")
ISIN: XS0199719294
Common Code: 019971929*

NOTICE IS HEREBY GIVEN on the date hereof (the "**Redemption Notice Date**") pursuant to Condition 14 of the terms and conditions of the Subordinated Notes and Clause 5.11 of the trust deed dated 24 August 2004 between the Bank and The Law Debenture Trust Corporation p.l.c. (the "**Trustee**") (the "**Trust Deed**") that pursuant to Condition 5(b), all of the outstanding Subordinated Notes issued by the Bank shall be redeemed by the Bank on March 31, 2015 (the "**Redemption Date**") at a price equal to the principal amount of the Notes, together with accrued and unpaid interest thereon to the Redemption Date.

NOTICE IS HEREBY FURTHER GIVEN that interest on the redeemed Subordinated Notes shall cease to accrue after the Redemption Date, unless, upon due presentation thereof, payment of principal together with accrued and unpaid interest thereon is improperly withheld or refused. In such event interest will continue to accrue as provided in the Trust Deed.

Terms used but not defined herein shall have the meaning given to them in the Trust Deed.

Dated: January 21, 2015

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

THE ROYAL BANK OF SCOTLAND GROUP plc

By: 
Name: _____
Title: _____

RBS CAPITAL TRUST IV

(the "Trust")

NOTICE OF REDEMPTION

To the Holders of
\$1,000,000,000 Floating Rate Non-Cumulative Trust Preferred Securities
(the "**Trust Preferred Securities**")

CUSIP No. 74927F AA 9

ISIN: US74927FAA93

Common Code: 019968359

IRREVOCABLE NOTICE IS HEREBY GIVEN on the date hereof (the "**Redemption Notice Date**") pursuant to Section 8.03 of the Amended and Restated Declaration of Trust dated August 24, 2004 of the Trust (the "**Declaration of Trust**") that as a result of the redemption of Partnership Preferred Securities at the option of RBS Capital LP IV pursuant to Section 5.03(e)(ii) of the Amended and Restated Limited Partnership Agreement dated August 24, 2004 of RBS Capital LP IV (the "**Partnership Agreement**"), all of the Trust Preferred Securities issued by the Trust shall be redeemed by the Trust on March 31, 2015 (the "**Redemption Date**") at a price equal to the Liquidation Preference amount (per \$1,000 of each Trust Preferred Security) and any accrued or unpaid distributions to the date of redemption. The Redemption Record Date is March 27, 2015. The Trust Preferred Securities will be redeemed in accordance with the applicable procedures of DTC.

NOTICE IS HEREBY FURTHER GIVEN that Distributions on the redeemed Trust Preferred Securities shall cease to accrue after the Redemption Date, unless the Redemption Price 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.

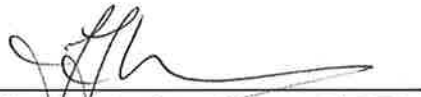
Dated: January 21, 2015

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

RBS CAPITAL TRUST IV

By **RBS CAPITAL LP IV**
as Administrator

By **RBSG Capital Corporation**
as General Partner

By 
Name: John Cummins
Title: Director