



Public Section

RBS Group plc Resolution Plan

Pursuant to 12 C.F.R. Parts 217 & 381

and

Citizens Bank, N.A. Resolution Plan

Pursuant to 12 C.F.R. 360

October 1, 2014

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Chapter 1. Public Section

I. Introduction

On September 13, 2011, the Board of Governors of the Federal Reserve System (the “**Federal Reserve**”) and the Federal Deposit Insurance Corporation (the “**FDIC**”) jointly adopted a final rule (Federal Reserve Regulation QQ, Part 381 of the FDIC regulations, the “**Title I Rule**”) to implement resolution plan requirements for certain non-bank financial companies and bank holding companies pursuant to Section 165(d) of Title I of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “**Dodd-Frank Act**”). Under the Title I Rule, The Royal Bank of Scotland Group plc (“**RBS Group plc**” and, together with its subsidiaries, the “**RBS Group**”) is required to submit periodically a resolution plan for the United States (“**US**”) operations of the RBS Group (such resolution plan is referred to herein as the “**RBS US Title I Plan**”).

On January 17, 2012, the FDIC issued a final rule (Part 360 of the FDIC regulations, the “**IDI Rule**”) that requires insured depository institutions (“**IDIs**”) with assets of \$50 billion or more to submit periodically to the FDIC a plan for resolution in the event of failure under the Federal Deposit Insurance Act (“**FDIA**”). Citizens Bank, N.A. (“**CBNA**”) is concurrently filing its separate plan (“**IDI Plan**”) to fulfill the requirements of the IDI Rule. CBNA’s IDI Plan is substantially included as a subpart of the RBS US Title I Plan, and is referred to as the “**Citizens Resolution Plan**”.

The RBS US Title I Plan demonstrates how the material entities, core business lines and critical operations of the RBS Group that are domiciled or conducted in whole or material part in the US can be reorganized, liquidated or otherwise resolved under applicable insolvency law in a reasonable period of time, without any extraordinary support from the US, the United Kingdom (“**UK**”) or any other government, and in an organized manner in the event of material financial distress or failure in a way that substantially minimizes the risk that the failure of these entities, businesses or operations would have a serious adverse effect on financial stability in the US.

At December 31, 2013, the RBS Group US operations consisted of two divisions: US Retail & Commercial division, which is the consumer and commercial banking operating division in the US of the RBS Group, and Markets and International Banking Americas (“**M and IB Americas**”), with M and IB Americas being the American operating division of Markets and International Banking (“**M and IB**”), which is the wholesale banking division of the RBS Group.

M and IB provides fixed income, risk management, foreign exchange, rates and transaction banking services to its clients, which include corporations, financial institutions, governments and the public sector.

US Retail & Commercial operates principally through CBNA, its sister bank, Citizens Bank of Pennsylvania (“**CBPA**”, and together with CBNA, the “**Citizens IDIs**”), and their parent

company, Citizens Financial Group, Inc. (“**CFG**”, and together with CBNA and CBPA, “**Citizens**”).

The US Retail & Commercial and M and IB Americas operating divisions conduct business via separate and distinct legal entities with oversight from the RBS Group’s centralized RBS Americas (“**RBSA**”) regional management structure. The RBS US Title I Plan includes the resolution strategies for both US Retail & Commercial and M and IB Americas.

This document constitutes the Public Section (“**Chapter 1**”) of both the RBS US Title I Plan filed by RBS Group plc pursuant to the Title I Rule, and the separate IDI Plan filed by CBNA pursuant to the IDI Rule. Information required under the Title I Rule with respect to RBS Group plc, the “covered company” under the Title I Rule, is provided in Part II below; information required under the Title I Rule and the IDI Rule with respect to Citizens is provided in Part III below; and information required under the Title I Rule with respect to M and IB Americas is provided in Part IV below.

II. RBS Group and RBS Americas

II.A Global Operations of RBS Group

The RBS Group provides a wide range of products and services to personal, commercial, large corporate and institutional customers through its two principal subsidiaries, The Royal Bank of Scotland plc and National Westminster Bank plc, as well as through a number of other well-known brands including Citizens, Charter One, Ulster Bank and Coutts.

Exhibit 1: RBS Group 2013 Total Income by Region	
Region	%
United Kingdom	63%
United States	24%
European Union	9%
Rest of the world	4%
Total	100%

Source: RBS Group’s 2013 Annual Report. Excludes one-off and other items. All amounts presented were prepared in accordance with IFRS Accounting Principles.

RBS Group was organized along the following business groupings as of December 31, 2013:

- **UK Retail** offers a comprehensive range of banking products and related financial services to the personal market. It serves customers through a number of channels including: the RBS plc and NatWest Plc network of branches and Automated Teller Machines (“**ATMs**”) in the UK, telephony, online and mobile. UK Retail is committed to serving customers well, making banking easier and convenient while ensuring that it does business in an open, honest and sustainable manner.

- **UK Corporate** is a leading provider of banking, finance and risk management services to the corporate and small and medium-sized enterprises sector in the UK. It offers a full range of banking products and related financial services through a nationwide network of relationship managers, and also through telephone and internet channels. The product range includes invoice finance through the RBSIF brand and asset finance through the Lombard brand.
- **Wealth** provides private banking and investment services in the UK through Coutts & Company and Adam & Company PLC, offshore banking through RBSI, NatWest Offshore and Isle of Man Bank Limited, and international private banking through Coutts & Co Ltd.
- **International Banking** serves the world's largest companies with a leading client proposition focused on financing, risk management and transaction services. It serves as the delivery channel for Markets products to international corporate clients. The division also serves international subsidiaries of clients from other RBS Group divisions (e.g., UK Corporate, Ulster Bank and US Retail & Commercial) through its international network.
- **Ulster Bank** is a leading retail and commercial bank in Northern Ireland and the Republic of Ireland. It provides a comprehensive range of financial services through both its Retail Banking division, which provides loan and deposit products through a network of branches and direct channels, and its Corporate Banking division, which provides services to businesses and corporate customers.
- **US Retail & Commercial** provides financial services primarily through the Citizens and Charter One brands. US Retail & Commercial is engaged in retail and corporate banking activities through its branch network in 12 states in the US and through non-branch offices in other states. In February 2013, the RBS Group announced that it would commence work on a partial flotation of Citizens and in November 2013 confirmed that a partial initial public offering is now planned for 2014. The RBS Group intends to fully divest the business by the end of 2016.
- **Markets** is a leading origination, sales and trading business across debt finance, fixed income and currencies. The division offers a unified service to the RBS Group's corporate and institutional clients. The Markets' origination, sales and research teams build strong ongoing client partnerships, provide market perspective and access, and work with the division's trading and structuring teams to meet the client's objectives across financing, risk management, investment, securitization and liquidity. A new strategy for the Markets division was announced in June 2013 enabling RBS to concentrate on its core customers' needs where the Markets business is strongest. Markets is now focused on the core fixed income capabilities across rates, foreign exchange, asset-backed products, credit and debit capital markets, while de-emphasizing some more capital intensive structured product areas.

- **Business Services** supports the customer-facing businesses and provides operational, technology, customer support in telephony, account management, lending and money transmission, global purchasing, property and other services.
- **Central Functions** comprise RBS Group corporate functions, such as treasury, finance, risk management, legal, communications and human resources. The Central Functions division manages RBS Group's capital resources and Group-wide regulatory projects and provides services to the operating divisions.
- **Non-Core** managed separately assets the RBS Group intended to run off or divest. It was established in 2009 as RBS's principal vehicle for risk reduction. It was dissolved on December 31, 2013 with most of its remaining assets contributed to the newly formed RBS Capital Resolution division.

In February 2014, RBS announced a new strategy, including the formation of its Corporate & Institutional Banking ("**CIB**") division. CIB combines the former International Banking and Markets divisions of RBS with certain large customers from the former UK Corporate Banking division. CIB serves large corporate and financial institutions, governments and their agencies. Following the announcement, an assessment of the CIB Americas business was completed, with the ultimate goal of enhancing client focus, simplifying the regional operating model, mitigating risk and reducing costs. The operations included in M and IB Americas will in the future be included in CIB Americas. Because this resolution plan addresses RBS' operations as of December 31, 2013, this plan retains the 2013 M and IB Americas division.

United Kingdom

The UK Prudential Regulation Authority ("**PRA**") is currently the consolidated supervisor of the RBS Group. On April 1, 2013, regulatory responsibilities were split between two new regulatory bodies: the PRA and the Financial Conduct Authority ("**FCA**"). At that point, the RBS Group's previous consolidated supervisor, the Financial Services Authority, ceased to exist and the PRA became the consolidated prudential supervisor of the RBS Group.

United States

RBS Group plc is both a bank holding company and a financial holding company within the meaning of the US Bank Holding Company Act of 1956 ("**BHC Act**"). As such, it is subject to the regulation and supervision of the Federal Reserve. RBS Group's US IDI and non-bank subsidiaries and RBS plc's US branches are also subject to supervision and regulation by a variety of other US regulatory agencies.

CBNA is supervised by the Office of the Comptroller of the Currency ("**OCC**"), which is charged with the regulation and supervision of nationally chartered banks. CBPA is subject to the regulation and supervision of the FDIC and the Pennsylvania Department of Banking. Both Citizens IDIs are subject to supervision and regulation by the Consumer Financial Protection

Bureau (“**CFPB**”), established by the Dodd-Frank Act. CFG is also supervised by the Federal Reserve as a bank holding company and financial holding company under the BHC Act.

RBS plc’s Connecticut branch (“**RBS plc CT Branch**”) is supervised by the Connecticut Department of Banking and is also subject to supervision by the Federal Reserve.

RBS Group’s primary US broker dealer, RBS Securities Inc. (“**RBSSI**”), is also subject to regulation and supervision by the US Securities and Exchange Commission (“**SEC**”) and the Financial Industry Regulatory Authority (“**FINRA**”) with respect to its securities activities. The futures activities of RBSSI are subject to regulation and oversight by the US Commodity Futures Trading Commission (“**CFTC**”) and the Chicago Mercantile Exchange Group-owned exchanges.

Netherlands

The consolidated supervisor of The Royal Bank of Scotland N.V. (“**RBS NV**”), the Netherlands bank subsidiary of RBS plc, is the De Nederlandsche Bank (“**DNB**”). The DNB operates as independent central bank and prudential supervisor of banks, insurance companies, pension funds and securities firms domiciled in the Netherlands, and also as part of the European System of Central Banks.

Republic of Ireland

The banking service in the Republic of Ireland is provided by Ulster Bank Ireland Limited, which is supervised by the Central Bank of Ireland.

Other Jurisdictions

The RBS Group operates in many different countries through a network of branches, local banks and non-bank subsidiaries and these activities are subject to supervision in most cases by a local regulator or central bank.

II.B Principal Officers of RBS Group plc

The exhibit below lists the Principal Officers of RBS Group plc.

Exhibit 2: Principal Officers of RBS Group plc	
As of June 30, 2014	
Executive	Title
Philip Hampton	Chairman of the Board
Ross McEwan	Group Chief Executive, Executive Director
Elaine Arden	Human Resources Director
Rory Cullinan	Chief Executive - RBS Capital Resolution Group
Les Matheson	Chief Executive - Personal & Business Banking
Simon McNamara	Group Chief Administrative Officer
Jon Pain	Group Head of Conduct & Regulatory Affairs
Alison Rose	Chief Executive - Commercial & Private Banking
David Stephen	Group Chief Risk Officer
Ewen Stevenson	Group Finance Director, Executive Director
Chris Sullivan	Group Deputy Chief Executive
Aileen Taylor	Group Secretary and Head of Corporate Governance
Bruce Van Saun	Chairman & Chief Executive - Citizens Financial Group and Head of RBS Americas
Donald Workman	Executive Chairman - Corporate & Institutional Banking

II.C Resolution Planning Corporate Governance, Structure and Processes

Ultimate responsibility for governance of the RBS Group and its operations and subsidiaries worldwide lies with the RBS Group Board of Directors (“**RBS Group Board**”). To enable the RBS Group Board to carry out its responsibilities, authority is delegated to committees of the RBS Group Board, as well as to boards and committees and senior management of its various divisions, regions and operating entities throughout the RBS Group.

RBS Americas Management

The RBS Americas Management Committee (“**RBSA ManCo**”) was established by and operates under authority delegated by the Executive Committee of the RBS Group Board (“**RBSG ExCo**”). The RBSA ManCo is the RBS Americas region’s highest level decision-making forum and a forum for discussion of key operational, supervisory and/or governance matters relating to the overall business and operations of the RBS Group in the Americas region. Subject to the oversight of the RBSG ExCo, the RBSA ManCo determines the overall strategic direction of the RBS Group in the Americas, and, as appropriate, will determine policies and procedures relating to the overall business and operation of RBS in the Americas. Among its responsibilities, the RBSA ManCo is responsible for ensuring that the businesses of the RBS

Group in the region are well managed at all times, and that the businesses of the RBS Group in the Americas region operate in compliance with all applicable laws and regulations as well as the RBS Group and regional policies and standards. The RBSA ManCo may delegate authorities and responsibilities to committees to provide oversight for businesses in the Americas as appropriate to fulfill its responsibilities. The RBSA ManCo reviewed the RBS US Title I Plan before it was approved by the RBS Group Recovery and Resolution Planning Executive Steering Group.

RBS Group Resolution Planning Governance

The RBS Group established the RBS Group Recovery and Resolution Planning Executive Steering Group (“**RBSG RRP ESG**”) in 2012. Its purpose is to coordinate the development of recovery and resolution planning activities as required by regulators globally. It is sponsored by the RBS Group Finance Director (“**GFD**”), chaired by the RBS Group Director of Regulatory Affairs and includes senior executives from key functional areas. It is a subcommittee of RBSG ExCo. The RBSG ExCo is the RBS Group’s most senior management committee, and is chaired by the RBS Group Chief Executive Officer (“**CEO**”). The RBS Group Resolution Planning Office (“**RBSG RPO**”) was established in 2011 to manage ongoing resolution plan developments across the RBS Group.

RBSA Resolution Plan Corporate Governance

A comprehensive governance and management process has been established to oversee the creation and maintenance of the RBS US Title I Plan and the Citizens IDI Plan. The process relies on a combination of existing corporate governance and executive management structures, as well as committees, work groups and permanent functions established to provide oversight, control and ongoing management of the resolution plan.

In the US, the RBS Americas Resolution Plan Executive Steering Group (“**RBSA RP ESG**”) was established in 2012 by the RBSA ManCo and the RBSG RRP ESG to oversee the preparation of the RBS US Title I Plan and the IDI Plan, and to ensure consistency in plan development across the different operating businesses. The RBSA RP ESG is chaired by the RBS Americas Chief Financial Officer (“**CFO**”), and includes members of senior management. The Head of the RBSG RPO is a member of the RBSA RP ESG, as is the Chairman of the RBSG RRP ESG, providing direct coordination with the RBSG RRP ESG to ensure consistency with RBS Group resolution planning efforts.

Because Citizens and M and IB Americas have largely separate businesses and management structures, each of those operating divisions created its own work streams, headed by one of their representatives on the RBSA RP ESG, under the oversight of the RBSA RP ESG. This governance structure ensures a consistent approach under the oversight of the RBS Group and RBSA management, while permitting each of the RBS Group US operating divisions to focus on the resolution strategies of their different businesses and resolution authorities having jurisdiction over their legal entities, as described further below.

II.D Summary of Financial Information, Capital and Major Funding Sources

Exhibit 3 summarizes the assets, liabilities and capital position for RBS Group plc as of December 31, 2013. For the most complete, updated financial information regarding assets, liabilities, capital and major funding sources, RBS Group plc's annual review and quarterly reports are available at <http://www.investors.rbs.com> and should be read in their entirety.

Exhibit 3: Condensed Consolidated Balance Sheet of RBS Group plc			
As of December 31, 2013 (£ millions)			
	2013	2012	2011
Assets			
Cash and balances at central banks	£82,659	£79,290	£79,269
Loans and advances to banks	54,071	63,951	83,310
Loans and advances to customers	440,722	500,135	515,606
Debt securities subject to repurchase agreements	55,554	91,173	79,480
Other debt securities	58,045	66,265	129,600
Total debt securities	<u>113,599</u>	<u>157,438</u>	<u>209,080</u>
Equity shares	8,811	15,232	15,183
Settlement balances	5,591	5,741	7,771
Derivatives	288,039	441,903	529,618
Intangible assets	12,368	13,545	14,858
Property, plant and equipment	7,909	9,784	11,868
Deferred tax	3,478	3,443	3,878
Prepayments, accrued income and other assets	7,614	7,820	10,976
Assets of disposal groups	3,017	14,013	25,450
Total assets	<u>1,027,878</u>	<u>1,312,295</u>	<u>1,506,867</u>
Liabilities			
Deposits by banks	63,979	101,405	108,804
Customer accounts	470,880	521,279	502,955
Debt securities in issue	67,819	94,592	162,621
Settlement balances	5,313	5,878	7,477
Short positions	28,022	27,591	41,039
Derivatives	285,526	434,333	523,983
Accruals, deferred income and other liabilities	16,017	14,801	23,125
Retirement benefit liabilities	3,210	3,884	2,239
Deferred tax	507	1,141	1,945
Insurance liabilities	—	—	6,312
Subordinated liabilities	24,012	26,773	26,319
Liabilities of disposal groups	3,378	10,170	23,995
Total liabilities	<u>968,663</u>	<u>1,241,847</u>	<u>1,430,814</u>
Non-controlling interests	473	1,770	686
Owners' equity	58,742	68,678	75,367
Total equity	<u>59,215</u>	<u>70,448</u>	<u>76,053</u>
Total liabilities and equity	<u>£1,027,878</u>	<u>£1,312,295</u>	<u>£1,506,867</u>

Note: All amounts presented were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Funding

The RBS Group has access to a variety of wholesale funding sources across the globe, including short-term money markets and term debt investors through its secured and unsecured funding programs. These sources of funding are complementary to RBS Group's customer deposit gathering activities.

Diversity in funding is provided by its active role in the money markets, along with access to global capital flows through the RBS Group's international client base. These funding programs allow the RBS Group subsidiaries to issue secured or unsecured, senior or subordinated securities. Over time the RBS Group's wholesale funding franchise has been diversified by currency, geography, maturity and type.

The RBS Group accesses the market directly or through one of its main operating subsidiaries through established funding programs. The use of different entities to access the market from time to time allows the RBS Group to further diversify its funding profile, take advantage of different benefits offered by using these entities and, in certain limited circumstances, demonstrate to regulators that specific operating subsidiaries enjoy market access in their own right.

Given the mixture of products and services offered across the regions, funding and liquidity decisions are managed on an entity level.

Capital

The RBS Group is responsible for maintenance of capital adequacy for the enterprise on a consolidated basis according to UK regulation by the PRA and Bank of England. The RBS Group aims to maintain an appropriate level of capital to meet its business needs and regulatory requirements, and operates within an agreed risk appetite. The appropriate level of capital is determined based on the dual aims of: (i) meeting minimum regulatory capital requirements; and (ii) ensuring the RBS Group maintains sufficient capital to uphold investor and rating agency confidence in the organization, thereby supporting the business franchise and funding capacity. The PRA uses the risk asset ratio ("**RAR**") as a measure of capital adequacy in the UK banking sector, comparing a bank's capital resources with its risk weighted assets (the assets and off-balance sheet exposures are weighted to reflect the inherent credit and other risks). By international agreement, the risk asset ratios should not be less than 8% with a Tier 1 component of not less than 4%. The RBS Group's risk asset ratios at December 31, 2013 were a total RAR of 16.5% and Tier 1 RAR of 13.1%.

The minimum regulatory capital requirements are identified by RBS Group through the Internal Capital Adequacy Assessment Process and then agreed between the RBS Group Board and the appropriate supervisory authority. The RBS Group's own determination of how much capital is sufficient is derived from the desired credit rating level, risk appetite and reflects the current and emerging regulatory requirements. It is evaluated through the application of both internally

and externally defined stress tests that identify potential changes in capital ratios to a range of scenarios.

III. Citizens Bank, N.A. IDI Plan and Citizens Resolution Plan

As explained above, this section constitutes the Public Section of the CBNA IDI Plan, and of the Citizens Resolution Plan component of the RBS US Title I Plan.

Overview of CFG

CFG is a commercial bank holding company headquartered in Providence, Rhode Island with \$122.2 billion in assets and \$19.2 billion in stockholders equity as of December 31, 2013. Its two main banking subsidiaries are CBNA and CBPA, with \$94.7 billion and \$29.1 billion in assets, respectively. The holding company and the two banking subsidiaries together are referred to collectively as “Citizens”.

By way of these subsidiaries, Citizens currently provides a broad range of consumer and commercial banking products through approximately 1,350 branches, approximately 3,500 ATMs and more than 18,400 colleagues. It operates its branch network in 12 states and has non-branch retail and commercial offices in more than 30 states.

CFG became a wholly-owned subsidiary of RBS Group in 1988. However, Citizens remains distinct from and independent of the RBS Group’s other businesses in the US, having its own board of directors and executive management team. CFG and its subsidiary banks are very well capitalized and its subsidiary banks have strong liquidity positions. These strong capital and liquidity positions are the result of repositioning the company following the industry-wide 2008 financial crisis by reducing liquidity risk, strengthening the capital base, improving the credit risk profile and implementing enhanced controls.

In February 2013, the RBS Group announced its intent to execute a public offering of CFG shares in late 2014 and to use the proceeds to further strengthen the RBS Group’s capital position. In November 2013, the RBS Group announced the intention to accelerate its proposed sale of CFG, such that a partial listing of CFG would take place in the second half of 2014, followed by full exit by the end of 2016, resulting in Citizens being a standalone US regional bank owned by public shareholders. For the most complete, updated information regarding Citizens public offering please review the Form S-1 Registration Statement filed with the Securities and Exchange Commission on May 12, 2014, Amendment No. 2 filed August 15, 2014, Amendment No. 3 filed September 4, 2014 or any more recent amendment to the Form S-1 Registration Statement subsequently filed.

As part of the preparation for its public offering, in April 2014 CFG legally changed its name from RBS Citizens Financial Group, Inc. to Citizens Financial Group, Inc. and RBS Citizens, N.A. changed its name to Citizens Bank, N.A.

Business Strategy

Citizens' goal is to become a top-performing US regional bank that facilitates the growth and prosperity of its customers, colleagues and communities. This goal should be accomplished by winning the customers' loyalty, serving as their primary banking partner and providing globalized products and services with personal and local delivery. Citizens' "back-to-basics" strategy focuses on the institution's core banking products and competes on service and product capabilities. Its five strategic priorities are:

- Employ a high-performing, engaged workforce. It has made investments aimed at ensuring that employees remain well-prepared for their roles, work as a unified team and receive recognition for their achievements. Citizens' employees participate in significant training programs every year that help them develop personally and professionally.
- Deliver a differentiated customer experience. Recognizing that Citizens competes in a highly competitive industry and that good banking is personal, Citizens prepares employees to deliver a consistent, high-quality experience with every customer interaction. Citizens has a corporate culture that is passionate about exceptional customer service and continuous improvement in overall delivery.
- Serve customers as their primary banking partner. Citizens strives to ensure that its customers consider it as their primary banking partner by helping them achieve their financial goals and by offering a full range of products and services. Citizens aims to deliver consistently high-quality services by anticipating customer needs and providing convenient, customer-oriented options and solutions.
- Embed strong risk management. Citizens' focus on taking care of its customers is matched closely by its effort to manage risks. Citizens aims to provide the right products and services that meet the needs of customers, comply with applicable laws and regulations, and grow the loan portfolio and asset base while adhering to the credit risk framework Citizens has implemented. Citizens believes that strong risk management is the defining characteristic that enables it to deliver sustainable, long-term growth.
- Deliver financial results consistent with a top-performing regional bank. Citizens aims to deliver results consistent with peer regional banks by rebalancing our business mix and investing in underpenetrated markets (such as capital markets, mortgage and wealth management). Citizens rebalanced and continued to rebalance the business mix to optimize our balance sheet and focus on improving profitability by running down non-core loans, increasing the mix of commercial loans and improving deposit composition.

III.A Material Entities

The RBS Group utilized specific criteria to confirm its material entities (“ME”) in accordance with the definitions provided by the FDIC and Federal Reserve. Applying these criteria, CBNA (for the Citizens IDI Plan) and the RBS Group (for the RBS US Title I Plan) designated three MEs of Citizens: CFG and its two IDI subsidiaries, CBNA and CBPA. CBNA is a “covered insured depository institution” under the IDI Rule, because it holds over \$50 billion of assets. As part of CBNA’s resolution planning process, two additional Citizens legal entities were identified as MEs for purposes of the IDI Plan and the Citizens Resolution Plan due to their relationship with CBNA: namely, its parent bank holding company, CFG; and its sister IDI, CBPA. The Citizens Resolution Plan includes an analysis of each ME and the resolution regime and strategy that would be applicable to each ME. The MEs in the Citizens Resolution Plan are further described below:

Citizens Financial Group, Inc.: CFG is a Delaware corporation headquartered in Providence, Rhode Island that holds all of the shares of CBNA and CBPA. CFG is a registered US bank holding company and financial holding company subject to supervision by the Federal Reserve. CFG does not directly perform any line of business or operation.

Citizens Bank, N.A.: CBNA is a national bank and an IDI regulated by the OCC. CBNA offers personal, small business and commercial banking services, such as checking accounts, savings and money market accounts, certificates of deposits, card products, mortgages, home loans, auto loans, student loans, online/mobile banking, cash management, borrowing options and personal and business investment services. CBNA has retail banking branches in Connecticut, Delaware, Illinois, Massachusetts, Michigan, New Hampshire, New York, Ohio, Rhode Island and Vermont.

Citizens Bank of Pennsylvania: CBPA is a Pennsylvania-chartered savings bank and IDI that offers personal, small business and commercial banking services, such as checking accounts, savings and money market accounts, CDs, mortgages, home loans, auto loans, student loans, online/mobile banking, cash management, borrowing options and personal and business investment services. The primary regulators of CBPA are the FDIC and the Pennsylvania Department of Banking. CBPA has retail banking branches in Pennsylvania and New Jersey. Although CBPA is not required to submit an IDI Plan, it is included as a material entity in the RBS US Title I Plan, and in CBNA’s IDI Plan due to its affiliate relationship with CBNA as the covered insured depository institution under the IDI Rule.

III.B Core Business Lines

Citizens’ core business lines consist of the two customer-facing businesses of CBNA and CBPA, including associated operations, services, functions and support that upon failure would result in a material loss of revenue, profit or franchise value: Commercial Banking, and Consumer Banking. Citizens’ core business lines are housed entirely within Citizens’ two IDI material entities – CBNA and CBPA.

Commercial Banking: The Commercial Banking business provides financial solutions for companies with annual revenues from \$25 million to greater than \$2 billion. It provides a full complement of financial products, including loans, leases, trade financing, deposits, cash management, foreign exchange, interest rate risk management, corporate finance, asset finance and capital markets advisory capabilities. Commercial Banking has dedicated teams with industry expertise in government banking, not-for-profit, healthcare, technology, franchise finance, asset-based lending, private equity, sponsor finance and commercial real estate.

Consumer Banking: The Consumer Banking business focuses on retail customers as well as businesses with annual revenues less than \$25 million. It offers traditional banking products and services including checking, savings and cash management services, as well as lending products such as mortgages, home equity loans/lines, auto loans, business loans, credit cards, unsecured personal loans and educational loans. It includes the distribution channels needed to support its customers' banking activities, such as bank branches (both freestanding and in-store branches), ATMs, online/mobile banking and telephone banking. The Consumer Banking business also includes wealth management activities such as private banking, investment management and trust services for high net worth individuals and small business customers.

III.C Summary of Financial Information Capital and Major Funding Sources

Financial Overview

The following exhibit summarizes the assets, liabilities, and capital for CBNA as of December 31, 2013, as required by the FDIC's IDI Rule. For the most complete, updated financial information regarding assets, liabilities, capital and major funding sources, CBNA's call reports filed with the FDIC should be read in their entirety.

Exhibit 4: Consolidated Citizens Bank, N.A. Balance Sheet

As of December 31, 2013 (\$ thousands)

Assets:	
Cash and due from banks	\$1,439,234
Interest-bearing deposits in banks	1,082,430
Securities available-for-sale, at fair value	8,623,316
Securities Held To Maturity at amortized costs	1,480,402
Federal funds sold and securities purchased under agreements to resell	-
Loans held for sale	1,253,938
Loans and leases	70,853,043
Less: Allowance for possible loan and lease losses	<u>1,022,215</u>
Net loans and leases	69,830,828
Trading account assets	512,333
Premises and equipment	530,512
Other real estate owned	43,129
Investments in unconsolidated subs	1,464
Investments in real estate ventures	248,206
Goodwill	5,681,053
Other intangibles	184,502
Other assets	3,805,633
Total Assets	<u>94,716,980</u>
Liabilities and Stockholder's Equity:	
Liabilities:	
Deposits	71,716,462
Federal funds purchased	336,000
Securities sold under agreements to repurchase, and short-term borrowings	2,415,400
Trading liabilities	435,365
Borrowed funds	2,485,997
Subordinated notes and debentures	260,000
Other liabilities	1,617,957
Total Liabilities	<u>79,267,181</u>
Stockholder's Equity:	
Perpetual preferred stock and related surplus	75
Common stock	1
Surplus	16,287,723
Retained earnings	(312,301)
Accumulated other comprehensive income	(525,699)
Total Bank Equity Capital:	<u>15,449,799</u>
Total Liabilities and Equity Capital	<u>\$94,716,980</u>

Note: Prepared in accordance with Federal Financial Institutions Examination Council Call Report instructions.

Note: On January 7, 2014, Citizens announced an agreement to sell its Chicago area retail branch franchise, with 94 branches and \$5.3 billion of deposits and \$1.1 billion in loans, to U.S. Bancorp. This transaction closed on June 20, 2014. The pro forma impact of the sale is not included in this year's Citizens Resolution Plan.

Capital Management

Citizens' objectives are to have adequate capital to cover all expected and unexpected risks within its business activities, meet current and future regulatory requirements, and allow flexibility to maintain access to financial markets and undertake strategic business initiatives.

CFG annually submits a capital plan to the Federal Reserve as required by Section 225.8 of the Federal Reserve's Regulation Y (the "**Capital Plan Rule**") adopted in November 2011. The Capital Plan Rule requires any US Bank Holding Company with \$50 billion or more in total consolidated assets, such as CFG, to submit an annual capital plan in which the company must set forth a range of information and capital analysis. Following submission of its annual capital plan, CFG may take only those capital actions, including payment of dividends and repurchase of capital instruments agreed to by the Federal Reserve. In addition, CBNA and CBPA each submit an annual capital plan to its respective primary supervisor, as required under the supervisor's implementation of Dodd-Frank Act stress testing requirements.

Regulatory Capital

Under current regulation implementing Basel I, the Federal Reserve requires CFG, the OCC requires CBNA and the FDIC requires CBPA to maintain minimum levels with respect to a Tier 1 Capital ratio, Total Capital ratio and a Tier 1 Leverage ratio. The Tier 1 Capital ratio is the ratio of the company's Tier 1 capital to its total risk weighted assets. The Total Capital ratio is the ratio of the company's Total Risk-Based Capital, or the sum of its Tier 1 and Tier 2 Capital, to its total risk-weighted assets. The Tier 1 Leverage ratio is the ratio of the company's Tier 1 Capital to total adjusted quarterly average assets, as defined for regulatory purposes.

The following chart shows that each of Citizens regulated material entities maintains strong ratios compared to its current regulatory guidelines.

Exhibit 5: Basel I Capital Ratios					
As of December 31, 2013					
Capital Ratio	CBNA	CBPA	CFG	Regulatory - Minimum	Regulatory - Well Capitalized
Tier 1 Capital	13.0%	17.1%	13.5%	4.0%	6.0%
Total Capital	14.5%	18.2%	16.1%	8.0%	10.0%
Tier 1 Leverage	11.7%	11.6%	11.6%	4.0%	5.0%

Funding Sources

CBNA's primary funding source is consumer and commercial customer deposits, which are stable and lessen reliance on wholesale funding markets. As of December 31, 2013, CBNA's assets of \$95 billion were funded mainly by \$72 billion of deposits, and \$15 billion of shareholder equity. The loan-to-deposit ratio was 97%, reflecting a surplus of deposits over

loans. Furthermore, asset liquidity (i.e., unencumbered high quality securities and loans) equivalent to 19% of liabilities was available to support contingent secured funding, including repurchase agreements and Federal Home Loan Bank (“**FHLB**”) advances. CBNA maintains a diversified network of funding sources, which reduces reliance on any one particular source in the event that certain segments of the wholesale funding markets become impaired. Unsecured funding sources available include interbank (Fed Funds) markets, term unsecured debt markets, brokered retail deposits, repurchase agreements and institutional certificates of deposit. Secured funding sources include high quality debt securities that can be readily sold or repurchased and high quality real estate loans that can be pledged against advances from the FHLB advances. Securities and consumer and commercial loans can be pledged against borrowings from the Federal Reserve’s discount window.

Citizens does not engage in other activities that would add material liquidity risk, such as maintaining substantial off-balance sheet entities requiring funding or depending on significant securitization activities. Citizens manages capital and liquidity on a standalone basis and does not rely on RBS Group plc or other RBS Group affiliates for funding. Consistent with US banking regulations, CFG and its subsidiaries do not supply funds to other RBS Group affiliates.

III.D Derivative and Hedging Activities

Derivatives Activities

In the normal course of business, CBNA enters into a variety of derivative transactions both to meet the financing needs of its customers and to reduce its own exposure to fluctuations in interest rates. CBNA sells interest rate swaps and foreign exchange forwards to commercial customers, offsetting those transactions with RBS Group affiliates or unaffiliated financial institutions. CBNA also uses interest rate swaps to manage its exposure to its interest rate risk, typically executing these transactions with RBS Group affiliates. CBNA also buys and sells interest rate forwards to manage the interest rate risk of the residential loan commitment rate locks it provides to customers. CBNA does not use derivatives for speculative purposes. The derivative instruments are recognized on the consolidated balance sheet at fair value.

For financial reporting purposes, all of CBNA derivatives used to manage its structural interest rate exposure qualify for hedge accounting. CBNA formally documents at inception all hedging relationships, as well as risk management objectives and strategies for undertaking various accounting hedges. Hedge accounting is discontinued when it is determined that a derivative is not expected to be, or has ceased to be effective as a hedge, and then reflects changes in fair value in earnings after termination of the hedge relationship.

CBNA’s customer derivatives and residential loan derivatives do not qualify for hedge accounting. Mark-to-market adjustments to the fair value of customer related derivatives are included in income. Mark-to-market gains and losses associated with customer derivatives are mitigated by the mark-to-market gains and losses on the offsetting derivative contracts transacted with RBS Group affiliates.

III.E Membership in Material Payment, Clearing and Settlement Systems

The Citizens IDIs participate in a variety of payment, clearing and settlement systems, also known as Financial Market Utilities (“**FMUs**”), to facilitate the clearing and settlement of securities and cash transactions. “Membership” means that the relevant Citizens ME has direct access to certain payment, clearing and settlement systems. CBNA and CBPA also have indirect access to other payment, clearing and settlement systems through their affiliates. Some of the material payment, clearing and settlement systems that CBNA and CBPA are members of are listed below.

Exhibit 6: FMU Memberships		
Citizens Entity Holding Membership	System Type	FMU Membership
CBNA and CBPA	Settlement and Clearing	Fixed Income Clearing Corporation - Government Securities Division (“ FICC – GSD ”)
CBNA and CBPA	Payment	FedACH Services
CBNA and CBPA	Payment	Fedwire Funds Service
CBNA and CBPA	Payment	Fedwire Securities Service
CBNA	Payment	SVPCO
CBNA	Payment	SWIFT

III.F Foreign Operations

Citizens, including CBNA, has no material operations outside of the US.

III.G Material Supervisory Authorities

CBNA is supervised by the OCC under the National Bank Act. The FDIC has back-up supervisory authority over CBNA as the provider of federal deposit insurance. CBPA’s primary regulators are the FDIC and the Pennsylvania Department of Banking. Both CBNA and CBPA are also subject to oversight by the Federal Reserve which is the umbrella supervisor for CFG as a bank holding company.

In addition, the CFPB has rulemaking and primary supervision and enforcement authority over CBNA with respect to certain federal consumer protection regulations.

III.H Principal Officers of Citizens Bank, N.A.

The principal officers of CBNA and their current titles are set forth below.

Exhibit 7: Principal Officers of Citizens Bank, N.A.

As of June 30, 2014

Executive	Title
Bruce Van Saun	Chairman and Chief Executive Officer
David Bowerman	Vice Chairman and Head of Citizens Business Services
Michael Cleary	Head of U.S. Distribution
Brad Conner	Vice Chairman and Head of Consumer Banking
John Fawcett	Chief Financial Officer
Sheldon Goldfarb*	Chief Legal Counsel
Beth Johnson	Head of Strategy
Susan LaMonica	Director of Human Resources
Robert Matthews	Vice Chairman and Head of Commercial Banking
Robert Nelson	Chief Compliance Officer
Brian O'Connell	Regional Director, Technology Services Americas
Nancy Shanik	Chief Risk Officer

*CBNA appointed Stephen Gannon as General Counsel and Chief Legal Officer effective August 11, 2014.

III.I Resolution Planning Corporate Governance, Structure and Processes

Citizens' CFO is directly responsible for the preparation, submission and ongoing maintenance of the Citizens Resolution Plan.

The Citizens Resolution Plan has been developed in concert with and is part of the RBS US Title I Plan. A comprehensive governance and management process has been established to oversee the creation and maintenance of the RBS US Title I and Citizens Resolution Plans. The process relies on a combination of existing corporate governance and executive management structures, as well as committees and permanent functions established to provide oversight, control and ongoing management of the resolution plan.

- The Citizens Resolution Planning Office (“**Citizens RPO**”) was formed in July 2013 to manage the ongoing oversight, development, maintenance, implementation and filing of resolution plans for Citizens. All processes related to development and management of the Citizens Resolution Plan were coordinated by the Citizens RPO, with oversight from the RBSA RP ESG. The Citizens RPO works closely with the RBSG RPO to ensure that Citizens adopts strategies, policies and procedures consistent with RBS Group resolution plans.
- The Citizens Resolution Plan Working Group (“**Citizens RPWG**”) was established in 2012 to help prepare the Citizens Resolution Plan and IDI Plan, with oversight from the Citizens RPO. The Citizens RPWG consists of subject matter experts from each of the Citizens

business lines and control and support functions. All content developed for the IDI Plan and Citizens Resolution Plan was sourced through this group.

The Citizens RPWG and Citizens RPO prepared the Citizens Resolution Plan and IDI Plan for the Citizens Executive Risk Committee for review, approval and submission to the CBNA Board of Directors.

The CBNA Board of Directors received progress updates on the IDI Plan's and Citizens Resolution Plan's preparation. The Citizens Resolution Plan and IDI Plan were reviewed and approved by the CBNA Board of Directors on September 18, 2014.

III.J Material Management Information Systems

Citizens Management Information Systems (“MIS”) refers to the information and technology used by Citizens, including CBNA, to effectively manage both its business line and support function activities. These activities include, but are not limited to, loan and deposit origination, account opening, portfolio management, trading and investment management, customer analytics, risk management, accounting, finance, operations and regulatory reporting.

Citizens MIS reporting is generated from systems that are aligned to either a business line, support function or the enterprise. Software applications used include those that are internally developed and proprietary, as well as those acquired from third-party vendors. Citizens adheres to corporate policies that ensure the systems are reliable and provide the information needed to manage the business.

Key MIS reports that Citizens uses to manage its business can be broadly grouped into six categories further described below.

- **Management executive reporting:** Includes executive-level summaries and dashboards used to communicate performance against strategic priorities and inform key decision making.
- **Monitoring and exception reporting:** Provides information to monitor daily activities for business-as-usual purposes and raise exceptions, if any, to senior management.
- **Risk reporting:** Provides information primarily used to monitor credit, interest rate, market, and operational risk and highlights risk limit breaches, if any, to senior management.
- **Operational reporting:** Provides business-as-usual information to manage and monitor operational metrics across the core businesses.
- **Financial Reporting:** Provides accounting, financial planning and analysis reporting by legal entity, business line and geography, as well as supporting ad hoc analyses needed for management decision-making.
- **Regulatory reporting:** Provides key information as set forth by requirements of the regulatory authorities governing the business or legal entity.

Citizens maintains business continuity and systems disaster recovery plans in accordance with the Citizens Policy Framework and an appropriate governance structure is in place to provide oversight on all aspects of the Business Resilience program.

III.K High-Level Description of Citizens Resolution Strategy

As required by the IDI Rule, the Citizens Resolution Plan considers strategies for a hypothetical resolution of CBNA under the FDIA.

The rules and supervisory guidance require the Citizens Resolution Plan to assume that the hypothetical failures of CBNA and its affiliates are caused by an idiosyncratic event that is specific to Citizens. It is further assumed that other financial institutions and the markets are not experiencing system-wide stress and macroeconomic and financial market conditions are as specified under the November 1, 2013 Supervisory Stress Scenarios provided by the Federal Reserve.

The IDI and Citizens Resolution Plans consider an orderly resolution strategy in which CBNA and CBPA, under a hypothetical scenario, would first attempt a joint private stock sale in the period prior to failure. If this strategy was not successful, CBNA and CBPA would fail and be placed in FDIC receiverships. A joint sale of assets and liabilities out of the receiverships would be attempted over the weekend after failure. If that was not successful, then substantially all the Citizens IDIs' assets and liabilities would be transferred to a bridge bank to be managed for an interim period of time. The assets and liabilities would then be sold out of the bridge bank by the FDIC in a Purchase of Assets and Assumption of Liabilities ("**P&A**") transaction to a third-party.

Sale transactions with a third party buyer could be executed rapidly over the course of a weekend, or on a delayed basis, out of the bridge bank. Citizens believes the Citizens IDIs would be attractive acquisition candidates. Potential buyers of the Citizens IDIs would include national banks, regional banks, international banks, other financial institutions or private equity funds. Citizen's other material entity, CFG, would be placed under Chapter 11 of the US Bankruptcy Code and wound down in an orderly manner.

Citizens' core business lines, Consumer Banking and Commercial Banking, are entirely housed in CBNA and CBPA. As a result, the Citizens Resolution Plan addresses how they would be maintained without disruption through the FDIC receivership, bridge bank and sale process. The Citizens Resolution Plan also includes strategies to continue access to critical services from affiliates and suppliers including, but not limited to, MIS, operations, technology, employees, facilities and intellectual property.

The IDI and Citizens Resolution Plans do not rely on the provision of extraordinary support by the US or any other government to Citizens or its affiliates to prevent failure. The IDI and Citizens Resolution Plans illustrate how CBNA can be resolved in the event of material financial distress or failure in a manner that ensures that depositors have access to insured deposits within one business day of CBNA's failure; maximizes the net present value return from the sale

or disposition of CBNA's assets and minimizes the amount of loss realized by creditors in the resolution in accordance with Sections 11 and 13 of the FDIA; is the least costly to the Deposit Insurance Fund of all possible methods for resolving CBNA; and ensures the continuation and funding of any critical services of the Citizens IDIs despite the failure of the Citizens IDIs.

IV. Markets and International Banking Americas

IV.A Material Entities

The RBS Group utilized specific criteria to confirm its material entities in accordance with the definitions provided by the FDIC and Federal Reserve. Applying these criteria, the RBS Group designated five material entities of M and IB Americas, three of which are direct or indirect subsidiaries of the RBS Group, one is a branch, and the other one forms part of RBS plc.

RBSSI is a wholly-owned subsidiary of RBS Holdings USA Inc. ("**Holdings**") and has its principal place of business in Stamford, CT. RBSSI is an SEC registered broker-dealer, a Federal Reserve supervised primary dealer of US government securities, a CFTC designated futures commission merchant ("**FCM**") and a member of FINRA and Securities Investor Protection Corporation ("**SIPC**"). RBSSI is registered in 49 US states and territories.

RBS plc CT Branch ("**CT Branch**") is a Connecticut state-licensed branch of RBS plc located in Stamford, CT. Corporate loan products, certain fees associated with the Corporate Debt Capital Markets ("**Corporate DCM**") business and a small amount of hedging derivatives are booked to RBS plc CT Branch. It also accepts third-party deposits. RBS plc CT Branch's assets are composed primarily of syndicated and term loans to third parties.

RBS plc London refers to the RBS plc books to which M and IB Americas transactions are recorded and whose results are allocated to M and IB Americas for purposes of internal profit and loss attribution and tax-transfer pricing. Products associated with the Rates and ABP core business lines result in transactions being booked to RBS plc London.

RBS Financial Products ("**RBSFP**"), a Delaware corporation, is a wholly-owned subsidiary of Holdings. Based in Stamford, CT, RBSFP is engaged in the purchase of residential mortgages, and California-based commercial mortgages. It holds the various state and other licenses necessary to conduct the Asset Based Products ("**ABP**") core business line.

RBS Americas Property Corp ("**RBSA Property**"), a Delaware corporation, is a material service entity, providing property services to the RBS Group's affiliates located in the US. RBSA Property's principal asset is the ownership of the Stamford, CT headquarters located at 600 Washington Blvd., which comprises approximately 1 million square feet of commercial space over 12 floors. RBSA Property's primary activity is to provide this facility to the RBS Group's US-based legal entities, including RBSSI, RBS plc CT Branch and CBNA. RBSA Property does not perform any other material business activities or serve any third-party clients.

IV.B Core Business Lines

The RBS Group utilized specific criteria to confirm its core business lines, including certain risk and revenue metrics. The core business lines of M and IB Americas are identified below.

Asset Backed Products: The ABP business line offers products and services to its clients such as banks, hedge funds, broker-dealers and asset managers located in the US. The ABP business offers four main products and services: underwriting (purchasing or originating and securitizing loans and issuing securities to investors); distribution of the securitization interests; secondary market making in mortgage-backed security (includes residential mortgage backed securities and commercial mortgage backed securities), asset-backed securities and certain swaps products; and providing financing to third parties related to ABP's securitization activities.

Rates: The Rates business offers a full spectrum of fixed income products and services, which are divided into two business lines: cash products and derivatives. Rates' primary client base includes financial institutions, money managers, pension funds, hedge funds, corporate clients and central banks. The Rates business operates primarily out of RBSSI but also involves RBS plc London.

Corporate Portfolio: The Corporate Portfolio business provides financing, investing and risk management solutions to financial institutions and corporations through the structuring and execution of loan products and lending commitments. The Corporate Portfolio business is conducted out of one material entity, RBS plc CT Branch.

Corporate Debt Capital Markets: The Corporate DCM business offers products and services such as origination, underwriting and placement of bonds, commercial paper and certain syndicated loans for corporate clients. The Corporate DCM business operates within two material entities, RBSSI and RBS plc CT Branch.

IV.C Summary of Financial Information, Capital and Major Funding Sources

See Section II.D above for a summary of the RBS Group's financial information, capital and major funding sources.

IV.D Derivative and Hedging Activities

RBS plc enters into economic hedges primarily to manage its interest rate risk, in financial assets/liabilities and non-trading positions. RBS plc manages this risk within approved limits.

RBS plc attempts to control its market risk exposures through hedging strategies and a wide variety of quantitative and qualitative monitoring and analytical review mechanisms, including Value-at-Risk measures.

Risk hedging strategies may include internal trades with other parts of the business falling within other economic functions. M and IB Americas has a comprehensive market risk management framework in place to identify measure, monitor, analyze and control market risk arising from trading activities on a consistent and timely basis.

The trading of derivatives products is a subset of the overall trading activities in which M and IB Americas participates. The ABP and Rates core business lines trade and manage the trading activities for derivatives products. Derivative products which are traded by the ABP business include credit default swaps, interest rate swaps and constant maturity mortgage securities. Derivative products which are traded by the Rates core business line include cleared and uncleared OTC swaps and uncleared OTC options. Derivative trading conducted by the ABP and Rates core business lines is booked to RBS plc London.

IV.E Memberships in Material Payment, Clearing and Settlement Systems

The RBS Group participates in a variety of payment, clearing and settlement systems, also known as FMUs, to facilitate the clearing and settlement of securities and cash transactions. "Membership" means that the relevant RBS Group material entity has direct access to certain payment, clearing and settlement systems. Other material entities also have indirect access to other payment, clearing and settlement systems through their affiliates. Some of the material payment, clearing and settlement systems in which M and IB Americas entities are a member or which M and IB Americas entities use are listed below.

Exhibit 8: Material FMU Memberships		
Entity Holding Membership	System Type	FMU Membership
RBSSI	Settlement and Clearing	Depository Trust Company
RBSSI	Settlement and Clearing	FICC - GSD
RBS plc CT Branch	Settlement and Clearing	FICC - GSD
RBSSI	Settlement and Clearing	FICC - Mortgage Backed Securities Division
RBS plc	Settlement and Clearing	LCH.Clearnet Limited
RBSSI	Settlement and Clearing	LCH.Clearnet Limited
RBS plc	Settlement and Clearing	ICE Clear Credit
RBSSI	Settlement and Clearing	ICE Clear US
RBS plc	Settlement and Clearing	CME Group
RBSSI	Settlement and Clearing	CME Group
RBS plc	Settlement and Clearing	CLS Bank
RBSSI	Settlement and Clearing	NYSE - LIFFE
RBSSI	Settlement and Clearing	Options Clearing Corporation
RBS plc CT Branch	Payment	CHIPS
RBS plc CT Branch	Payment	Fedwire Funds Service
RBS plc and RBSSI	Payment	SWIFT

IV.F Foreign Operations

See Section II.A above for a description of the RBS Group's global activities.

IV.G Material Supervisory Authorities

See Section II.A above for a description of the RBS Group's material global supervisory authorities.

IV.H Principal Officers

See Section II.B above for the list of the RBS Group plc's principal officers.

IV.I M and IB Americas' Resolution Planning Corporate Governance, Structure and Processes

The M and IB Americas Resolution Plan Steering Group was established in 2012 to provide oversight to M and IB Americas' resolution planning efforts as required under the Dodd-Frank Act. The M and IB Americas Steering Group includes senior executives from the M and IB Americas business lines and key support and control functions. The M and IB Americas Steering Group provides guidance and oversight regarding the development of the portion of the RBS US Title I Plan relating to M and IB Americas.

Through a network of steering, operating and working groups in RBSG and M and IB Americas, the portion of the RBS US Title I Plan relating to M and IB Americas was prepared for review and approval through a prescribed governance process including reviews and approvals from senior M and IB management in the Americas and globally.

M and IB Americas' resolution planning process is led by the Treasurer of M and IB Americas, whose responsibility is to coordinate plan development both within M and IB Americas' operating businesses and its control and support functions, as well as with the RBSG RPO.

IV.J Material Management Information Systems

M and IB Americas uses information technology and management information systems ("IT/MIS") to support various business functions. IT/MIS includes applications used to generate management reports, conduct business activities in derivatives trading, lending operations and financing, risk and compliance management, and front-office support. As part of the information collection process in the context of the preparation of the RBS US Title I Plan, each of the M and IB Americas material entities, core business lines and critical operations identified systems and applications deemed key to its respective businesses, entities and operations. The RBS US Title I Plan also leveraged M and IB Americas' Business Continuity Plan to assist in the validation and identification of these key IT/MIS systems and applications. The Business Continuity Plan helps control risk management efforts. In the event of disaster, the Business Continuity Plan will facilitate the resumption of all normal business operations.

IV.K High-Level Description of Markets and IB Americas' Resolution Strategy

As required by the Title I Rule, the RBS US Title I Plan considers strategies for a hypothetical resolution of M and IB Americas' material entities, core business lines and critical operations. The M and IB Americas strategies assume, consistent with pertinent regulations and supervisory guidance, hypothetical simultaneous failures of M and IB Americas material entities caused by an idiosyncratic event that is specific to the RBS Group. Other financial institutions and the markets are not experiencing system-wide stress and other market participants remain able to acquire M and IB Americas businesses and assets.

The RBS US Title I Plan describes a strategy for an orderly resolution in which the RBS Group, under the hypothetical scenario described above, would first attempt a private sale of M and IB Americas' material entities, core business lines and critical operations during the Runway Period immediately preceding failure. The RBS US Title I Plan describes how, if this strategy were to be unsuccessful, the M and IB Americas material entities would be resolved under the regime applicable to each material entity.

The RBS Group believes that three broad categories of resolution strategies would likely yield the optimal results from a systemic, logistical, and value maximization standpoint. These strategies are divided among:

- Runway Period Sale(s);
- Resolution Weekend or Delayed Resolution Weekend Sale(s); and
- Sale or Orderly Wind-down in Resolution following Resolution Weekend.

The RBS Group believes that the RBS US Title I Plan demonstrates that the resolution strategies detailed in the Plan can be effected within a reasonable time by the applicable resolution authorities to reorganize, liquidate, or otherwise resolve the material entities, core business lines and critical operations of M and IB Americas under Chapter 11 of the US Bankruptcy Code (in the case of RBSFP and RBSA Property), the Securities Investor Protection Act (in the case of RBSSI), the banking laws of the State of Connecticut (in the case of the Connecticut branch of RBS plc), and the applicable UK insolvency law (in the case of RBS plc London), without any extraordinary support from the US, the UK or any other government and in an organized manner in the event of material financial distress or failure in a way that: substantially minimizes the risk that the failure of these entities, businesses or operations would have a serious adverse effect on financial stability in the US; facilitates separability from the rest of the RBS Group; and maximizes return to claimants.

While the RBS US Title I Plan recommends a number of alternative strategies that could be employed by resolution authorities in a hypothetical failure scenario, it is important to note that the RBS Group acknowledges that there are multiple options and assumptions for the resolution of M and IB Americas' material entities, core business lines and critical operations and that the resolution strategy chosen by the relevant resolution authority will be dependent on the facts and circumstances existing at the time of resolution.