

Commitments on bonuses for 2009 performance year

Group	Membership	Deferral	Form	Clawback
Executive Directors	Executive members of the bank's board	100% in June 2012	***	100% of bonus
Top Group	Other employees likely to be covered by G20 deferral principles, as determined by the FSA (Principle 8 employees)	33.3% in June 2010 33.3% in June 2011 33.3% in June 2012	***	As for 2008 bonuses ***
Middle Group	All employees not in Top or Bottom groups	1/2 in June 2010 1/4 in 2011 1/4 in 2012	***	***
Bottom Group	All employees earning up to £39,000	Bonuses up to £2,000, 100% in Q1 2010 Any portion of bonus payments over £2,000 deferred into 2011 and 2012 as per Middle Group	Cash ***	

Notes:

- Clawback arrangements for Top Group: ***
- First deferred payment ***: for initial deferred period will set bonus amount to be met by the amount of ***. Final decision on form of initial period deferred remuneration to be agreed between UKFI and RBS in January 2010 when bonus values determined.
- RBS shall: (A) provide proposals to UK Financial Investments Limited ("UKFI") (acting on the Government's behalf) on the total quantum of individual variable remuneration proposals for all main board directors, and aggregate discretionary bonus proposals for other employees, for the 2009 performance year; (B) not announce or implement such proposals in respect of the 2009 performance year without having obtained UKFI's consent; and (C) provide its proposals in good time to enable thorough consultation to take place and to enable UKFI to subject all proposals to rigorous scrutiny. It is understood that, in exercising its consent rights pursuant to paragraph (B) and its consultation rights pursuant to paragraph (C), UKFI will take account of any legally-binding, non-discretionary and irrevocable commitments which were fully documented and entered into prior to 3 November 2009.

*** Indicates omitted information.