



HM Treasury

John Kingman
Second Permanent Secretary
1 Horse Guards Road
London
SW1A 2HQ
www.gov.uk

Rt Hon George Osborne MP
Chancellor of the Exchequer & First Secretary of
State
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

3 August 2015

Dear Chancellor

Royal Bank of Scotland

I am writing in Nick Macpherson's absence to confirm that in my view the time is now right to execute an initial sale of the Government's shares in Royal Bank of Scotland plc.

It is very much in taxpayers' interests to begin the process of reducing the resources tied up in these shares and I am satisfied that a sale at this time would offer good value for money for the taxpayer and meets all other requirements in accordance with the principles of Managing Public Money.

Yours sincerely,

John Kingman