



Citizens Bank, National Association

**2022 CBNA Insured Depository Institution Resolution Plan
Public Section**

December 1, 2022

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Forward-Looking Statements

Certain statements in this Public Section of this Resolution Plan are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on a hypothetical resolution scenario of Citizens Financial Group, Inc., certain assumptions required of Citizens pursuant to such hypothetical resolution and Citizens current beliefs with respect to a resolution scenario. These statements are subject to uncertainty and changes in circumstances and are not binding on a bankruptcy court or other resolution authority. These statements are not guarantees of future results or occurrences. Actual results and capital and other financial conditions may differ materially from those included in these statements due to a variety of factors, including regulatory review of Citizens Resolution Plan, actual market conditions, and market, creditor and counterparty reactions to any potential resolution event. Actual results and capital and other financial conditions may also differ materially from those included in this Resolution Plan due to the precautionary statements included herein and those contained in Citizens filings with the SEC, including the “Risk Factors” section of Citizens 2021 Annual Report on Form 10-K and Form 10-Q for the quarter ended March 31, 2022. Any forward-looking statements made by or on behalf of Citizens speak only as to the date they are made and Citizens does not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements were made.

1. Introduction

On January 23, 2012, the Federal Deposit Insurance Corporation ("FDIC"), pursuant to its authority under the Federal Deposit Insurance Act, issued a rule, 12 C.F.R. Part 360 (the "IDI Rule" or the "Rule"), which requires covered insured depository institutions ("CIDs") with assets of \$50 billion or more to submit periodically to the FDIC a Resolution Plan that would enable the rapid and orderly resolution of the Bank in the unlikely event of its failure.¹ Over the course of the last ten years, having completed several rounds of resolution plan submission reviews, the FDIC has determine what aspects of the resolution planning process are most valuable and what could be clarified or exempted. As such, on June 25, 2021, the FDIC issued a policy statement ("Statement") to describe how it will implement certain aspects of the Rule with respect to CIDs with \$100 billion or more in total assets. The Statement streamlines the resolution plan content requirements to focus on obtaining the most critical information to facilitate an orderly resolution of a CIDI, if required.² In accordance with the IDI Plan and Statement, Citizens Bank, National Association ("CBNA"), a covered company, submitted its 2022 IDI Resolution Plan (the "Plan") to the FDIC on or before December 1, 2022. In addition, CBNA is providing this Public Section outlining key elements of the Plan.

Under a hypothetical event of material financial distress or failure, the CBNA IDI Resolution Plan demonstrates how CBNA could be resolved in a manner that ensures depositors receive access to their insured deposits within one business day of the bank's failure (two business days if the failure occurs on a day other than Friday), maximizes the net present value return from the sale or disposition of its assets and minimizes the amount of any loss to be realized by its creditors. The primary purpose of the Plan is to provide management and the FDIC with essential information concerning CBNA's structure, operations, business practices, financial responsibilities and risk exposures to enable the resolution of CBNA in the most efficient and cost effective manner.

Throughout this document, "Citizens" refers to CBNA along with Citizens Financial Group, Inc., ("CFG"), CBNA's parent holding company. CBNA engages in traditional banking activities with virtually all of its operations and employees located in the United States ("U.S.") and the vast majority of its assets, liabilities, income and expenses related to domestic operations. As of March 31, 2022, CBNA had \$191.9 billion in assets, \$170.3 billion in liabilities and \$21.6 billion in stockholders' equity. CBNA has a relatively simple legal and operational structure that would support a straightforward resolution in the unlikely event of the Bank's failure, with limited interconnections that could present an obstacle or impediment to resolution. Nearly all the Citizens employees, vendors, systems and facilities are employed by, owned by or under contract with CBNA, with only a few exceptions, allowing CBNA to effectively function independently from CFG in resolution.

The Public Section provides an overview of the organizational structure, a list of supervisory authorities and principal officers, a description of resolution plan governance and management information systems, as well as a summary of the resolution strategy. All information within this document is as of March 31, 2022 and financials are reported on a regulatory reporting accounting basis unless otherwise noted.

2. Material Entities

For the purpose of the IDI resolution plan, a material entity is defined as a company that is significant to the activities of a critical service or core business line. Citizens has identified two material entities for the CBNA IDI Resolution Plan—CBNA (the covered company) and CFG (the parent holding company), further described below.

¹ Source: Federal Depository Insurance Corporation, Federal Register, Vol. 77, No.14, Monday, January 23, 2012, Rules and Regulations (12 CFR Part 360).

² Source: Federal Depository Insurance Corporation, Division of Complex Institution Supervision and Resolution, Statement on Resolution Plans for Insured Depository Institutions, June 25, 2021.

2.1. Citizens Financial Group, Inc.

CFG is one of the oldest and largest financial services firms in the United States, headquartered in Providence, Rhode Island, where its roots date back to 1828. CFG is a bank holding company under the Bank Holding Company Act of 1956 which was incorporated under Delaware state law in 1984. CFG has elected to be treated as a financial holding company under amendments to the Bank Holding Company Act as enacted by the Gramm-Leach-Bliley Act of 1999. As such, CFG is subject to the supervision, examination and reporting requirements of the Bank Holding Company Act and the regulations of the Board of Governors of the U.S. Federal Reserve System, including through the Federal Reserve Bank of Boston. CFG provides bank holding company services to its subsidiaries, with direct subsidiaries consisting of one banking entity (CBNA) and ten non-material, non-banking entities. The non-banking entities consist of commercial broker-dealers, investment holding companies, asset holding companies and a charitable foundation. Given the nature and size / scale of the activities in these subsidiaries, CBNA is the only subsidiary that qualified as a material entity based on the criteria established for resolution planning purposes.

Exhibit 1 provides the CFG consolidated balance sheet as of March 31, 2022, presented on a regulatory reporting basis. The most recent 10-K or 10-Q filed with the Securities and Exchange Commission should be read in its entirety for complete and current information regarding CFG's financial condition.

Exhibit 1: Consolidated Citizens Financial Group Inc. Balance Sheet (March 31, 2022)

ASSETS:	\$ Millions	LIABILITIES AND STOCKHOLDERS' EQUITY:	\$ Millions
Cash and due from banks	\$ 1,476.4	LIABILITIES:	
Interest-bearing deposits in banks	8,893.8	Total deposits	\$ 159,178.9
Securities available-for-sale at fair value	25,318.9	Securities sold to repurchase and short-term borrowings	0.1
Securities held to maturity at amortized cost	2,055.5	Trading liabilities	645.3
Equity Securities	100.6	Borrowed funds	4,361.3
Federal Funds Sold	370.0	Subordinated notes and debentures	1,560.0
Loans held for sale	1,693.8	Other liabilities	4,651.6
Loans and leases	131,365.4	TOTAL LIABILITIES	\$ 170,397.3
Less: Allowance for loan and lease losses	(1,719.7)	STOCKHOLDERS' EQUITY:	
Net loans and leases	129,645.8	Perpetual preferred stock and related surplus	\$ 2,014.0
Trading assets	1,925.2	Common stock	5.7
Premises and equipment	1,676.0	Surplus	19,020.8
Other real estate owned	11.8	Retained earnings	8,208.6
Investments in real estate ventures	2,214.6	Accumulated other comprehensive income	(2,256.4)
Intangible assets	8,589.8	Treasury stock	(4,918.3)
Other assets	8,499.3	TOTAL EQUITY CAPITAL	\$ 22,074.3
TOTAL ASSETS	\$ 192,471.6	TOTAL LIABILITIES AND EQUITY CAPITAL	\$ 192,471.6

Source: FR-Y-9C Schedule HC-Consolidated Balance Sheet as of March 31, 2022

2.2. Citizens Bank, N.A.

CBNA offers a broad range of retail and commercial banking products and services to individuals, small businesses, middle-market companies, as well as large corporations and institutions. CBNA is a national banking association subject to regulation, examination and supervision by the Office of the Comptroller of the Currency as its primary federal regulator and by the FDIC as the insurer of its deposits.

Exhibit 2 provides the CBNA consolidated balance sheet as of March 31, 2022, presented on a regulatory reporting basis. The most recent call report filed with the Federal Financial Institutions Examination Council's should be read in its entirety for complete and current information regarding CBNA's financial condition.

Exhibit 2: Consolidated Citizens Bank, N.A. Balance Sheet (March 31, 2022)

ASSETS:	\$ Millions	LIABILITIES AND STOCKHOLDERS' EQUITY:	\$ Millions
Cash and due from banks	\$ 1,408.5	LIABILITIES:	
Interest-bearing deposits in banks	8,845.7	Total deposits	\$ 161,300.2
Securities available-for-sale at fair value	25,318.9	Securities sold to repurchase and short-term borrowings	0.1
Securities held to maturity at amortized cost	2,055.5	Trading liabilities	620.8
Equity Securities not held for trading & Fed funds sold	470.6	Borrowed funds	2,820.5
Loans held for sale	1,693.8	Subordinated notes and debentures	1,125.0
Loans and leases	131,365.4	Other liabilities	4,402.9
Less: Allowance for loan and lease losses	(1,719.7)	TOTAL LIABILITIES	\$ 170,269.6
Net loans and leases	129,645.8		
Trading assets	1,795.1	STOCKHOLDERS' EQUITY:	
Premises and equipment	1,663.3	Perpetual preferred stock and related surplus	\$ 0.1
Other real estate owned	11.8	Common stock	—
Investments in real estate ventures	2,214.6	Surplus	19,231.2
Goodwill	—	Retained earnings	4,591.8
Other intangibles	8,454.9	Accumulated other comprehensive income	(2,223.6)
Other assets	8,290.6	TOTAL EQUITY CAPITAL	\$ 21,599.5
TOTAL ASSETS	\$ 191,869.1	TOTAL LIABILITIES AND EQUITY CAPITAL	\$ 191,869.1

Source: Federal Financial Institutions Examination Council (Call Report) Schedule RC-Balance Sheet as of March 31, 2022

Citizens completed two significant acquisitions in 2022 that expanded Citizens' presence in the New York metro area, filling out the Bank's geographic footprint by connecting its New England and Mid-Atlantic markets and offering a significant opportunity to deepen relationships with both business and consumer customers.

On February 18, 2022, CBNA completed the acquisition of HSBC East Coast branches and national online deposit business. The transaction extends Citizens' physical presence and adds customers in several attractive markets, accelerating the Bank's national expansion strategy. The transaction includes 66 locations in the New York City metropolitan area, 9 locations in the Mid-Atlantic/Washington D.C. area, and 5 locations in Southeast Florida.

On April 6, 2022, CFG completed the acquisition of Investors Bancorp, Inc. ("Investors") under which Investors was merged with CFG, with CFG as the surviving corporation. In addition, Investors Bank, a New Jersey state-chartered bank and wholly-owned subsidiary of Investors, was merged with CBNA, with CBNA as the surviving bank. This acquisition enhances Citizens' banking franchise, adding an attractive middle market, small business and consumer customer base while building the Bank's physical presence in the Mid-Atlantic region with the addition of 154 branches located in the greater New York City and Philadelphia metropolitan areas and across New Jersey.

The 2022 CBNA IDI Resolution Plan includes information as of Q1 2022, as opposed to the most recent fiscal year end, as this date offers a more recent view of the Citizens' operations while still providing sufficient time for the Plan development and governance. Although this as of date does not include the Investors integration, having closed in Q2 2022, the full systems integration of Investors into Citizens systems and processes is scheduled to be completed mid-Q1 2023, at which time there will be no material impact to the CBNA Resolution Plan given all

Investors products and services will be aligned to existing CBNA products and services, or otherwise exited from, prior to or at conversion.

3. Core Business Lines

For the purpose of the IDI resolution plan, core business lines are defined as "those business lines of the CIDI, including associated operations, services, functions and support, that, in the view of the CIDI, upon failure would result in a material loss of revenue, profit or franchise value." CBNA manages its business through two business segments (or core business lines)—Consumer Banking and Commercial Banking—further described below.

3.1. Consumer Banking

Consumer Banking serves retail customers and small businesses with annual revenues of up to \$25 million. Consumer Banking offers traditional banking products and services, including deposit products, mortgage and home equity lending, credit cards, business loans, and wealth management and investment services. The Consumer Bank also offers auto, education and point-of-sale finance loans in addition to select digital products nationwide.

Consumer Banking operates a multi-channel distribution network that includes a branch network, ATMs and a work force of experienced specialists covering lending, savings and investment needs as well as a broad range of small business products and services. Consumer Banking provides an integrated experience that includes mobile and online banking, a nationwide digital bank, a full-service customer contact center and, including the acquisition of Investors, the convenience of approximately 3,300 ATMs and more than 1,200 branches in 14 states and the District of Columbia. Consumer Banking has a physical presence in the following states: Connecticut, Delaware, Florida, Maryland, Massachusetts, Michigan, New Hampshire, New York, New Jersey, Ohio, Pennsylvania, Rhode Island, Virginia, and Vermont. Customers are served on a national basis through telephone service centers as well as through online and mobile platforms where Citizens offers customers the convenience of depositing funds, paying bills and transferring money between accounts and from person to person, as well as a host of other everyday transactions. There is no consumer lending conducted outside of the U.S.

3.2. Commercial Banking

Commercial Banking primarily targets companies with annual revenues of over \$25 million to more than \$3.0 billion and strives to be our clients' trusted advisor and preferred provider for their banking needs. Commercial Banking offers a broad complement of financial products and solutions, including lending and leasing, deposit and treasury management services, foreign exchange, interest rate and commodity risk management solutions, as well as loan syndication, corporate finance, merger and acquisition, and debt and equity capital markets advisory capabilities.

Commercial Banking is structured along lines of business, as well as product groups. The business lines, Corporate Banking and Commercial Real Estate, and the product groups, Corporate Finance & Capital Markets, and Treasury Solutions work in teams to understand client needs and provide comprehensive solutions to meet those needs. The Commercial business acquires new clients through a coordinated approach to the market, leveraging deep industry knowledge in specialized banking groups and a geographic coverage model.

Corporate Banking serves middle market commercial and industrial clients with annual gross revenues of \$25 million to \$500 million, and mid-corporate clients with annual revenues of \$500 million to more than \$3.0 billion in the United States. In several industry verticals, such as Aerospace, Defense and Government Services, Communications, Transportation and Logistics, Franchise, Human Capital Management, and Gaming, we offer a more dedicated and tailored approach to better meet the unique needs of these client segments.

Commercial Real Estate provides customized debt capital solutions for middle market operators, institutional developers, investors and real estate investment trusts. Commercial Real Estate provides financing for projects primarily in the office, multi-family, industrial, retail, healthcare and hospitality sectors.

Corporate Finance & Capital Markets serve clients through key product groups including Corporate Finance, Capital Markets, and Global Markets.

- Corporate Finance provides advisory services to middle market and mid-corporate clients, including mergers and acquisitions and capital structure advice. The team works closely with industry-sector specialists within capital markets to advise our clients. Corporate Finance also provides acquisition and follow-on financing for new and recapitalized portfolio companies of key sponsors, with services meeting the unique and time-sensitive needs of corporates, private equity firms, and management companies and funds, including underwriting and portfolio management expertise.
- Capital Markets originates, structures and underwrites credit and equity facilities targeting middle market, mid-corporate and private equity sponsors. They focus on offering value-added ideas to optimize their capital structures, including advising on and facilitating mergers and acquisitions, valuations, tender offers, financial restructurings, bond and equity underwriting, asset sales, divestitures and other corporate reorganizations and business combinations. Capital Markets also provides sales and trading across loan, fixed income and equity products, as well as other brokerage services including equity research.
- Global Markets provides foreign exchange, interest rate and commodities risk management services.

The Treasury Solutions product group supports Commercial Banking and certain small business clients with treasury management solutions, including domestic and international products and services related to receivables, payables, information reporting and liquidity management as well as commercial credit cards and trade finance.

4. Foreign Operations

CBNA has no material components of its legal entity or operational structure that are based or located outside the U.S. CBNA does maintain a non-physical branch in the Cayman Islands, which is licensed by the Cayman Islands Monetary Authority. This non-physical branch is only used on occasion by Citizens to borrow overnight Euro dollar deposits (unsecured funding), typically in the range of \$500 million to \$1 billion when leveraged, to assist with the management of daily cash balances. These activities are not material given it is typically less than 1% of deposits outstanding when accessed and records are processed and kept in the U.S.

5. Material Supervisory Authorities

Citizens operations are subject to extensive regulation, supervision and examination under federal and state laws and regulations. These laws and regulations cover all aspects of our business, including lending practices, deposit insurance, customer privacy and cybersecurity, capital adequacy and planning, liquidity, safety and soundness, consumer protection and disclosure, permissible activities and investments, and certain transactions with affiliates. These laws and regulations are intended primarily for the protection of depositors, the Deposit Insurance Fund and the banking system as a whole and not for the protection of shareholders or other investors.

CFG is a bank holding company under the Bank Holding Company Act. CFG has elected to be treated as a financial holding company under amendments to the Bank Holding Company Act as effected by GLBA. As such, CFG is subject to the supervision, examination and reporting requirements of the Bank Holding Company Act and the regulations of the Federal Reserve Board, including through the Federal Reserve Bank of Boston. Under the system of “functional regulation” established under the Bank Holding Company Act, the Federal Reserve Board serves as the primary regulator of our consolidated organization, the Office of the Comptroller of the Currency and the Securities and Exchange Commission serve as the primary regulators of CBNA and our broker-dealer and investment advisory subsidiaries, respectively, and directly regulate the activities of those subsidiaries, with the Federal Reserve Board exercising a supervisory role.

The federal banking regulators have authority to approve mergers, acquisitions, consolidations, the establishment of branches and similar corporate actions. These banking regulators also have the power to prevent the

continuance or development of unsafe or unsound banking practices or other violations of law. Federal law governs the activities in which CBNA engages, including the investments it makes and the aggregate amount of available credit that it may grant to one borrower. Various consumer and compliance laws and regulations also affect CBNA's operations. The actions the Federal Reserve Board takes to implement monetary policy also affect CBNA.

In addition, CBNA is subject to regulation, supervision and examination by the CFPB with respect to consumer protection laws and regulations. The CFPB has broad authority to regulate the offering and provision of consumer financial products by depository institutions, such as CBNA, with more than \$10 billion in total assets. The CFPB may promulgate rules under a variety of consumer financial protection statutes, including the Truth in Lending Act, the Electronic Funds Transfer Act and the Real Estate Settlement Procedures Act.

6. Principal Officers

Citizens' leadership team of seasoned industry professionals is supported by a highly motivated, diverse set of managers and employees committed to delivering a strong customer value proposition. Citizens' highly experienced and talented executive management team, whose members have nearly 30 years of banking experience on average, provides strong leadership to deliver on Citizens' overall business objectives. *Exhibit 3* provides the names and titles of the Citizens Executive Committee members. CBNA's executive officers also serve as executive officers for CFG.

Exhibit 3: Principal Officers

Executive	Title
Bruce Van Saun	Chairman, Chief Executive Officer and President
Mary Ellen Baker ¹	Executive Vice President, Head of Business Services
Brendan Coughlin	Executive Vice President, Head of Consumer Banking
Malcolm Griggs	Executive Vice President, Chief Risk Officer
Elizabeth Johnson	Executive Vice President, Chief Experience Officer
Polly Klane ²	Executive Vice President, Chief Legal Officer and General Counsel
Susan LaMonica	Executive Vice President, Chief Human Resources Officer
Donald H. McCree	Vice Chairman, Head of Commercial Banking
Michael Rutledge	Executive Vice President, Chief Information Office and Head of Technology Services
Eric Schuppenhauer	Executive Vice President, Head of Consumer Lending and National Banking
Theodore Swimmer	Executive Vice President, Head of Corporate Finance and Capital Markets
John Woods	Vice Chairman, Chief Financial Officer

¹ Mary Ellen Baker retired as of June 30, 2022 with her responsibilities being split between Technology Services, Risk and Finance.

² Polly Klane assumed the role of Chief Legal Officer and General Counsel on April 4, 2022, previously being performed by Malcolm Griggs.

7. Resolution Planning Corporate Governance, Structure and Processes

There are two aspects of governance for the CBNA IDI Resolution Plan. The first is the governance in support of the plan development and the second is governance during resolution.

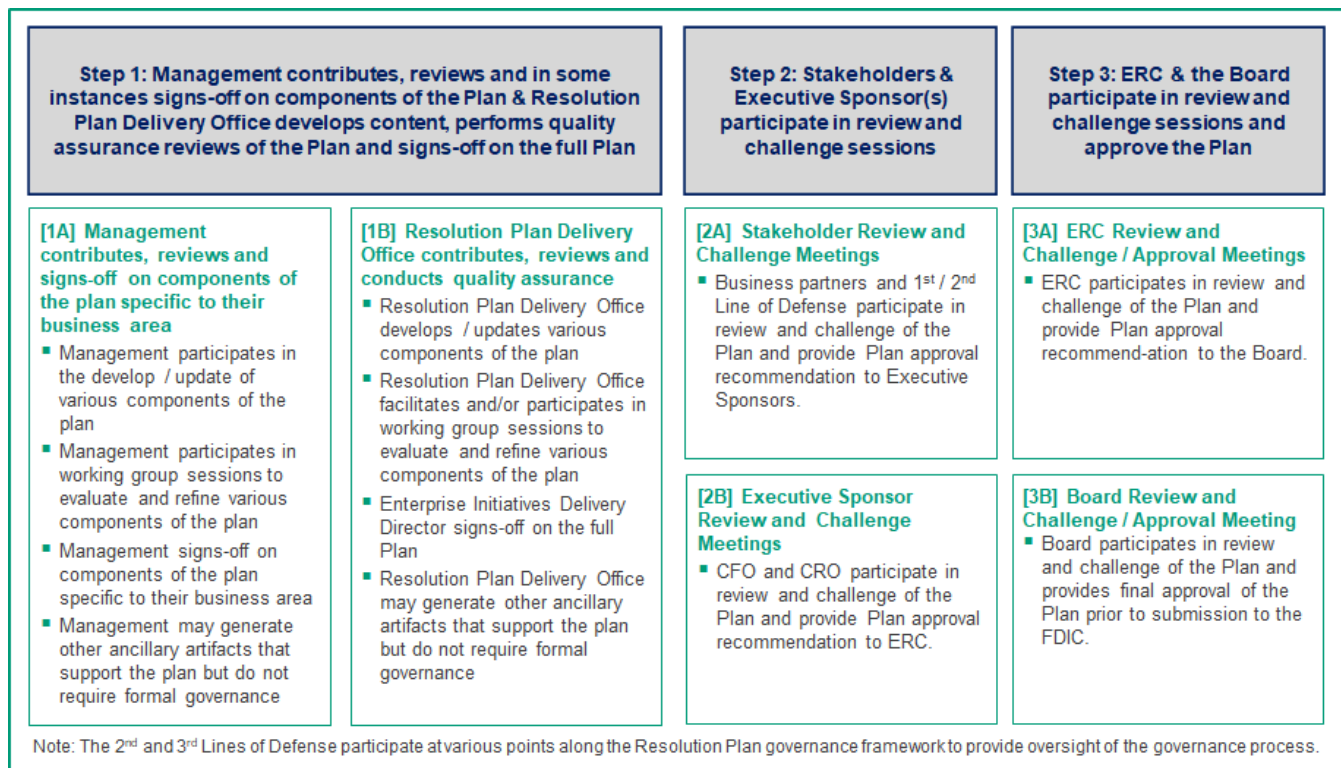
7.1. Governance of Plan Development

Citizens is committed to maintaining an integrated, proactive and consistent approach to the management of all risks to which the business is exposed in pursuit of its business objectives. In line with this commitment and in support of informed risk taking and the promotion of risk awareness, Citizens has established the Enterprise Risk Management Governance Framework which defines an integrated enterprise-wide approach to risk management,

and provides an overview of Citizens' policies, programs, other risk frameworks, and procedures. The governance of the CBNA IDI Resolution Plan is aligned with the Bank's Enterprise Risk Management Framework.

The Head of Enterprise Initiatives Delivery is the senior manager primarily responsible and accountable for the Resolution Plan under the direction of the Chief Financial Officer and Chief Risk Officer. As shown in *Exhibit 4*, the IDI Resolution Plan is supported by a cross-functional group of resources who contribute to the development of the plan, Senior Management who approve specific sections of the Plan applicable to their respective business areas and Stakeholders who review and challenge key components of the Plan. The final governance steps include review and approvals by the Chief Financial Officer and Chief Risk Officer, the Executive Risk Committee and the CBNA Board of Directors, with the Chief Executive Officer being a member of both Executive Risk Committee and the Board. The 2022 CBNA IDI Resolution Plan was reviewed and approved by Executive Risk Committee in September and the CBNA Board of Directors in November.

Exhibit 4: IDI Resolution Plan Governance Framework



The three lines of defense play an active role in the oversight of the plan development including participation in the Stakeholder Forum as well as review of the processes, risks and controls supporting the Plan development.

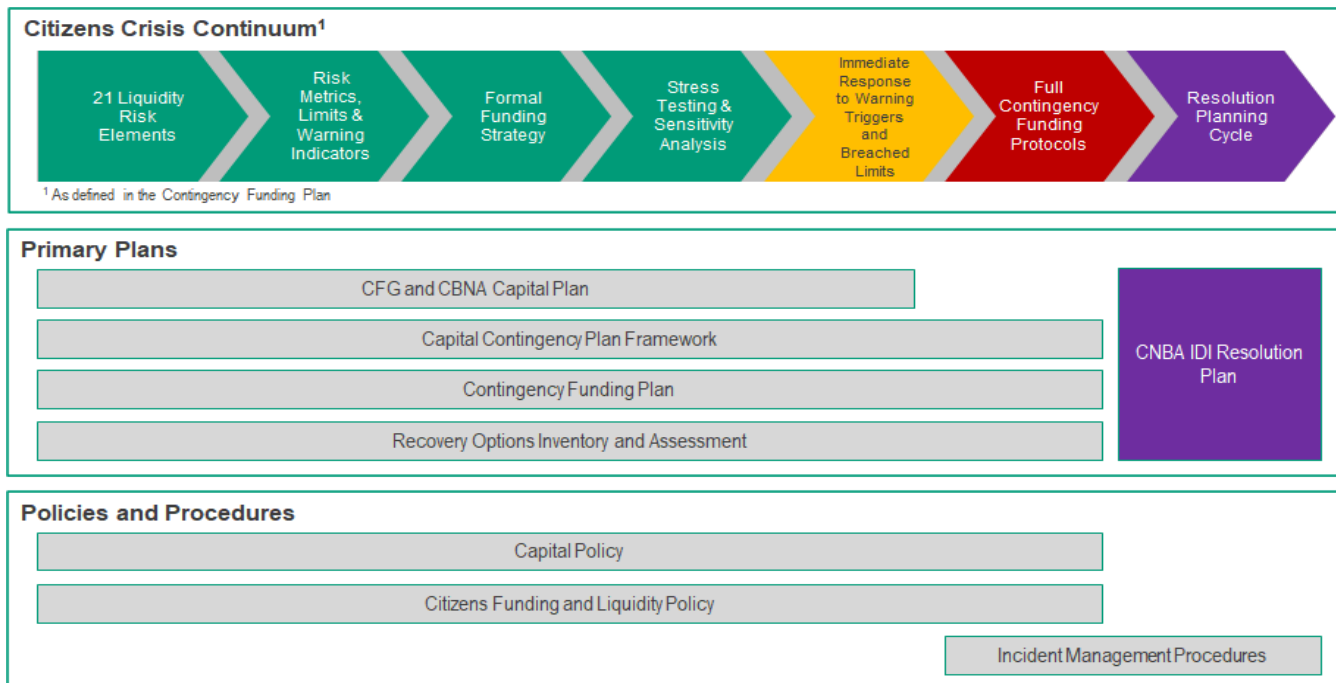
7.2. Governance in Resolution

The 2022 CBNA IDI Resolution Plan is a key component of Citizens' full crisis continuum, as illustrated in *Exhibit 5*. The Citizens crisis continuum covers a set of policies, plans and procedures that govern the decision-making process through the different phases of the crisis continuum moving from business-as-usual, progressing through contingency and ultimately into resolution, should contingency efforts be unsuccessful. The policies include triggers, tied to financial and operational metrics, that assist management with identifying a crisis and determining its severity. The metrics are graduated with escalation protocols commensurate with the severity of the scenario allowing management to proactively and expeditiously respond to the crisis in an attempt to mitigate any potential impacts.

In addition, the Contingency Funding Plan and Capital Contingency Plan Framework include an inventory of response actions that provide a wide range of credible options for the Bank to restore financial and operational

strength and viability and avoid liquidation or resolution in various severe stress scenarios. These policies, plans and procedures facilitate timely management response in the event of worsening stress conditions. However, should actions taken as part of the contingency plans be insufficient to restore adequate levels of operating liquidity in a timely enough fashion, or should a stress or risk event result in financial distress that otherwise precipitates corporate failure, the Crisis Continuum incorporates the necessary planning to support the resolution of the Bank if required.

Exhibit 5: Citizens Crisis Continuum



In the actual event of resolution, Citizens would invoke the Enterprise Incident Management Framework to manage through the resolution process if it had not already been activated as part of the contingency process. The Enterprise Incident Management Framework ensures that Citizens establishes and maintains an effective company-wide incident management capability, which uses consistent processes to resolve incidents/crises in a controlled and coordinated manner in support of overall resilience. The goals of the Enterprise Incident Management Framework are to mitigate the risks, ensure a fair outcome for our customers, and help to minimize any operational impacts, financial loss or damage to our reputation.

8. Material Management Information Systems

Citizens management information systems refers to the technology and data used by Citizens to effectively manage its business. Citizens maintains a governance framework with documented policies, standards and procedures to ensure the systems producing and maintaining management information are accurate, reliable and timely.

The management information that Citizens uses is generated from systems and applications aligned with one or more core business line and / or support function. These systems and applications are underpinned by an enterprise-wide core technology infrastructure. Software applications used include both internally developed and proprietary systems, as well as those from third-party vendors with associated contractual agreements. The vast majority of the key systems and applications are owned or licensed by CBNA.

Citizens' processes and capabilities to collect, maintain, and report the information and other data underlying the CBNA IDI Resolution Plan are robust. The Plan provides an inventory of the key management information

systems needed to support the FDIC's decision making through the resolution process. Included in this inventory are key systems and applications for risk management, accounting and financial / regulatory reporting, contract management, asset management, deposit management, human resource management and day-to-day operations. In addition, the key systems and application inventory identifies the core business line(s) and / or support function(s) that use the system or application and whether it is used for operations, reporting or both operations and reporting. Each system and application is assigned a disaster recovery time objective along with plans to continue business operations in events where key systems and applications are unavailable.

9. High-Level Description of Resolution Strategies

In accordance with the IDI Rule, the CBNA IDI Resolution Plan outlines strategies for the sale or disposition of its deposit franchise, core business lines and major assets that ensures depositors receive access to their insured deposits within one business day of failure (two business days if the failure occurs on a day other than Friday), maximizes the net present value return from the sale or disposition of CBNA's assets and minimizes the amount of any loss realized in the resolution.

The resolution strategies were developed in the context of several key underlying assumptions as required by the Rule. First, the CBNA Resolution Plan assumes that CBNA has experienced one or more sudden, unforeseen idiosyncratic financial losses or liquidity events resulting in "material financial distress" or failure. Second, the Plan assumes general macroeconomic conditions are consistent with the a baseline economic scenario, such that there are potential buyers in the market. Finally, the Plan assumes that there is no extraordinary government support or assistance and that unsecured funding is not available to Citizens.

9.1. CFG Resolution Strategy

In the unlikely and hypothetical event of failure, the Resolution Plan assumes that the CFG Board of Directors would file for protection to be resolved under Chapter 11 of the U.S. Bankruptcy Code covering CFG and its subsidiaries excluding two broker-dealers and the banking entity. Under Chapter 11, CFG would continue to operate as a debtor-in-possession while management works with the respective regulatory and legal authorities to liquidate its remaining assets and arrange for payments to creditors, pursuant to priorities set forth in the U.S. Bankruptcy Code, to maximize the value for all stakeholders. A Chapter 11 proceeding is preferred to an immediate liquidation under Chapter 7 of the U.S. Bankruptcy Code, as it provides CFG with greater flexibility and time to execute its plan.

The broker-dealer subsidiaries of CFG would more likely be liquidated in accordance with the Securities Investor Protection Act of 1970 where a Securities Investor Protection Corporation trustee is appointed to distribute securities to customers to the greatest extent practicable in satisfaction of their claims against the debtor as opposed to converting securities to cash as quickly as possible under the Bankruptcy Code.

Details regarding the resolution strategy for CFG's banking subsidiary CBNA is provided in the next section.

9.2. CBNA Resolution Strategy

In the unlikely and hypothetical event of CBNA's failure, it is assumed in the CBNA IDI Resolution Plan that CBNA's chartering authority would revoke its charter and appoint the FDIC as receiver. Further, the FDIC would first attempt to sell the entire CBNA Bank to a single acquirer immediately upon being appointed as receiver (i.e. over the resolution weekend), as this is expected to provide the most value and result in the least cost. The probability of completing a single acquirer sale over the resolution weekend, however, would be low given the rapid onset of the hypothetical stress events and the time required to market the bank and find an appropriate buyer. As such, the FDIC would establish a bridge bank to stabilize the Bank and provide the necessary time to resolve the bank in an orderly fashion. The CBNA IDI Resolution Plan outlines two resolution strategies once the bridge bank is formed.

- **Single Acquirer Strategy:** The preferred resolution strategy is a whole bank sale of CBNA to a single acquirer as this strategy is assumed to create the greatest value at the lowest cost.
- **Multiple Acquirer Strategy:** Management recognizes, however, that a single acquirer strategy may not be possible even after the formation of a bridge bank, therefore, the 2022 CBNA IDI Resolution Plan also outlines an alternative multiple acquirer strategy that facilitates the sale of value-maximizing CBNA franchise component combinations. A multi-step process was used to determine the recommended value-maximizing franchise component combinations for the multiple acquirer strategy.

CBNA believes that even under a hypothetical stress event, there exist numerous financial institutions that could act as potential acquirers in purchasing CBNA, either in whole or in part. Potential buyers could include national banks, regional banks, international banks, other financial institutions or private equity funds.

9.3. Interconnectedness and Obstacles to Resolution

There are two primary categories of interconnectedness that must be considered when developing resolution strategies and assessing potential barriers or obstacles to resolution. These include financial interconnectedness and operational interconnectedness. Given the relatively non-complex legal entity, financial and operating structure of Citizens, neither financial or operational interconnectedness pose a material impediment or obstacle to the resolution of CBNA.

- **Financial interconnectedness:** Given that the primary source of funding for CBNA is (i) deposits from consumer and commercial franchise customers, (ii) collateralized borrowings on loans (Federal Home Loan Bank) and debt securities (Repo Agreements) and (iii) wholesale borrowings (senior debt, etc.); there are no significant dependencies with respect to funding and liquidity for CBNA during resolution.
- **Operational interconnectedness:** Given that the majority of personnel, facilities, systems and vendors are employed by, owned by or contracted by CBNA there are no significant dependencies with respect to the continuation of critical services for CBNA during resolution.

In instances where there are service dependencies between CBNA and CFG or CBNA and CFG's non-bank affiliates, an overall CFG/CBNA Master Service Agreement as well as entity-specific Statement of Works have been established between the service provider and service recipient. These agreements include specific termination clauses to ensure the service provider cooperates with and assists the service recipient in effecting the orderly transfer of the applicable Services to the Service Recipient or a third party for the resumption of any such Services.

9.4. Resolution Authority

The resolution strategies described in the CBNA IDI Resolution Plan are not binding on the FDIC, bankruptcy court or any other resolution authority. In the event of an actual resolution of CBNA, the strategies implemented by the applicable resolution authority could differ materially from the strategy described in the Plan.