

IMPORTANT NOTICE

You must read the following before continuing. In accessing the Offer to Purchase (as defined below), you agree to be bound by the following terms and conditions, including any modifications to them and information that you receive at any time from Citizens Financial Group, Inc. (“*Citizens*”) and the Dealer Managers (as defined below) as a result of such access.

THE FOLLOWING HOLDERS OF OLD NOTES (AS DEFINED BELOW) ARE INELIGIBLE TO PARTICIPATE IN THESE CASH OFFERS (AS DEFINED BELOW) (EACH, AN “*INELIGIBLE HOLDER*”):

- **ANY HOLDER THAT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “*SECURITIES ACT*”), A “*QIB*”); OR**
- **ANY HOLDER THAT IS LOCATED OUTSIDE THE UNITED STATES AND (I) IS NOT A “U.S. PERSON” (AS DEFINED IN RULE 902 UNDER THE SECURITIES ACT, A “*U.S. PERSON*”), (II) IS NOT ACTING FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON AND (III) IS A NON-U.S. QUALIFIED OFFEREE (AS DEFINED BELOW).**

ONLY OTHER HOLDERS OF OLD NOTES ARE ELIGIBLE TO PARTICIPATE IN THE CASH OFFERS (SUCH OTHER HOLDERS, THE “*ELIGIBLE HOLDERS*”).

HOLDERS OF OLD NOTES PARTICIPATING IN THE CASH OFFERS ARE REQUIRED TO COMPLETE THE CERTIFICATION INSTRUCTIONS LETTER AND CERTIFY THAT THEY ARE ELIGIBLE HOLDERS IN ORDER TO PARTICIPATE IN THE CASH OFFERS DESCRIBED IN THE OFFER TO PURCHASE.

CITIZENS RESERVES THE RIGHT, IN ITS SOLE DISCRETION, TO (I) REQUEST ADDITIONAL EVIDENCE SATISFACTORY TO CITIZENS THAT ANY TENDERING HOLDER IS AN ELIGIBLE HOLDER AND (II) REJECT ANY TENDERS THAT CITIZENS DETERMINES, IN ITS SOLE DISCRETION, ARE NOT TENDERED BY AN ELIGIBLE HOLDER. IF CITIZENS REQUESTS ADDITIONAL EVIDENCE WITH RESPECT TO A TENDERING HOLDER’S STATUS, SUCH TENDERING HOLDER MUST PROVIDE SUCH EVIDENCE WITHIN ONE BUSINESS DAY OF SUCH REQUEST. FAILURE TO PROVIDE EVIDENCE SATISFACTORY TO CITIZENS, IN ITS SOLE DISCRETION, THAT SUCH TENDERING HOLDER IS AN ELIGIBLE HOLDER WITHIN SUCH TIME PERIOD MAY RESULT IN SUCH TENDER BEING REJECTED. CITIZENS WILL NOT EXTEND THE CASH OFFERS OR THE CONCURRENT EXCHANGE OFFERS (AS DESCRIBED IN THE OFFER TO PURCHASE) TO ACCOMMODATE ANY TENDERS THAT ARE REJECTED AS A RESULT OF A HOLDER’S FAILURE TO COMPLY WITH THE PROVISIONS OF THE OFFER TO PURCHASE.

If you are, or fail to provide evidence satisfactory to Citizens in its sole discretion upon request that you are not, either (i) a QIB within the meaning of Rule 144A under the Securities Act or (ii) a holder that is located outside of the United States that (x) is not a U.S. Person, (y) is not acting for the account or benefit of a U.S. Person and (z) is a Non-U.S. Qualified Offeree, you are not an Eligible Holder and are not permitted to participate in the Cash Offers described in the Offer to Purchase. In the event that Citizens determines in its sole discretion that you are not an Eligible Holder following the Expiration Date (as defined in the Offer to Purchase), you will not have any right to participate in the Cash Offers.

IF YOU ARE NOT AN ELIGIBLE HOLDER AND YOU ATTEMPT TO PARTICIPATE IN THE CASH OFFERS, YOU MAY NOT BE ABLE TO PARTICIPATE IN THE EXCHANGE OFFERS. AS DESCRIBED ABOVE, CITIZENS RESERVES THE RIGHT, IN ITS SOLE DISCRETION, TO REQUEST ADDITIONAL EVIDENCE SATISFACTORY TO CITIZENS THAT ANY TENDERING HOLDER IS AN ELIGIBLE HOLDER AND TO REJECT ANY TENDERS THAT CITIZENS DETERMINES, IN ITS SOLE DISCRETION, ARE NOT TENDERED BY AN ELIGIBLE HOLDER. IF THAT REJECTION OCCURS AFTER THE EXPIRATION DATE (AS DEFINED BELOW), A HOLDER OF OLD NOTES THAT IS NOT ELIGIBLE TO PARTICIPATE IN THE CASH OFFERS WILL NOT BE ABLE TO TIMELY PARTICIPATE IN THE EXCHANGE OFFERS, SUBJECT TO THE RIGHT OF CITIZENS TO WAIVE CERTAIN CONDITIONS OF THE EXCHANGE OFFERS. THEREFORE, IF YOU TENDER YOUR OLD NOTES IN THE CASH OFFERS SHORTLY PRIOR TO THE EXPIRATION DATE AND YOU ARE NOT AN ELIGIBLE HOLDER, YOU SHOULD EXPECT THAT YOU WILL BE REQUIRED TO CONTINUE TO HOLD YOUR OLD NOTES AND BE SUBJECT TO THE RISKS OF A HOLDER OF OLD NOTES. SEE “RISK FACTORS.”

OFFER TO PURCHASE



Offers to Purchase for Cash Any and All Outstanding Subordinated Notes of the Series Specified Below

The Cash Offers (as defined below) will expire at 5:00 p.m., Eastern time, on September 25, 2020, unless extended or earlier terminated by us (such date and time, as the same may be extended or earlier terminated, the “Expiration Date”). Tenders of Old Notes (as defined below) may be validly withdrawn at any time at or prior to 5:00 p.m. (Eastern time) on September 25, 2020, unless extended by us (such date and time, as it may be extended, the “Withdrawal Deadline”), but tenders after the Withdrawal Deadline will be irrevocable, except in certain limited circumstances where additional withdrawal rights are required by law.

Upon the terms and subject to the conditions set forth in this Offer to Purchase (as it may be amended or supplemented from time to time, this “Offer to Purchase”), Citizens Financial Group, Inc., a Delaware corporation (“Citizens”, the “Company”, “we”, “us” and “our”) hereby makes five concurrent, but separate, offers to purchase for cash (each, a “Cash Offer” and, collectively, the “Cash Offers”) any and all of the outstanding subordinated notes described in the table below (collectively, the “Old Notes”).

CUSIP Number	Title of Security	Principal Amount Outstanding	Reference U.S. Treasury Security ⁽¹⁾	Fixed Spread (basis points)	Hypothetical Total Consideration ⁽²⁾⁽³⁾
75524RAA7 / U7535RAA4	4.150% Subordinated Notes due 2022	\$350,000,000	0.125% due Aug. 31, 2022	+50	\$1,069.55
174610AL9	3.750% Subordinated Notes due 2024	\$250,000,000	0.250% due Aug. 31, 2025	+60	\$1,105.94
174610AC9	4.023% Subordinated Notes due 2024	\$ 42,000,000	0.250% due Aug. 31, 2025	+75	\$1,117.32
174610AJ4	4.350% Subordinated Notes due 2025	\$250,000,000	0.250% due Aug. 31, 2025	+80	\$1,151.56
174610AK1	4.300% Subordinated Notes due 2025	\$750,000,000	0.250% due Aug. 31, 2025	+80	\$1,159.43

- (1) As displayed on the Bloomberg Reference Page PX1.
- (2) Payable in cash per each \$1,000 principal amount of the specified series of Old Notes validly tendered and not validly withdrawn at or prior to the Expiration Date or the Guaranteed Delivery Date (as defined below) pursuant to the Guaranteed Delivery Procedures (as defined below) and accepted for purchase.
- (3) The hypothetical Total Consideration is based on the fixed spread for the applicable series of Old Notes to the yield of the Reference U.S. Treasury Security for that series as of 2:00 p.m. (Eastern time) on September 18, 2020. The information provided in the above tables is for illustrative purposes only. Citizens makes no representation with respect to the actual consideration that may be paid, and such amounts may be greater or less than those shown in the above table depending on the yield of the applicable Reference U.S. Treasury Security as of the applicable Price Determination Date (as defined below). The actual Total Consideration will be based on the fixed spread for the applicable series of Old Notes to the yield of the Reference U.S. Treasury Security for that series as of 11:00 a.m. (Eastern time) on the applicable Price Determination Date. The hypothetical Total Consideration excludes accrued and unpaid interest on the Old Notes accepted for purchase.

Subject to applicable law and limitations described elsewhere in this Offer to Purchase, Citizens expressly reserves the right to amend, extend or, to the extent the conditions described herein are not satisfied or, if waivable, waived, terminate any of the Cash Offers at any time at or prior to the Expiration Date. See “Description of the Cash Offers—Expiration Date; Extensions.”

Each Cash Offer for a given series is subject to various conditions described herein, including the completion of the concurrent Exchange Offer (as defined herein) for such series of Old Notes. In addition, each Cash Offer is conditioned on the aggregate Total Consideration (as defined below) for such Cash Offer not exceeding the applicable Maximum Total Consideration Amount (as defined below).

The following holders of Old Notes are ineligible to participate in these Cash Offers (each, an “Ineligible Holder”): (a) any holder that is a “qualified institutional buyer” (as defined in Rule 144A under the Securities Act of 1993, as amended (the “Securities Act”), a “QIB”); or (b) any holder that is located outside of the United States and (i) is not a “U.S. person” (as defined in Rule 902 under the Securities Act, a “U.S. Person”), (ii) is not acting for the account or benefit of a U.S. Person and (iii) is a Non-U.S. Qualified Offeree (as defined below). Only other holders of Old Notes are eligible to participate in the Cash Offers (such other holders, the “Eligible Holders”). Holders participating in the Cash Offers are required to complete the Certification Instructions Letter (as defined below) and certify that they are Eligible Holders.

Lead Dealer Manager
Credit Suisse

Co-Dealer Manager
Citizens Capital Markets

Dated September 21, 2020

IMPORTANT INFORMATION

The Cash Offers are being made upon the terms and subject to the conditions set forth in this Offer to Purchase, the Certification Instructions Letter (as defined below) and the accompanying notice of guaranteed delivery (the “*Notice of Guaranteed Delivery*” and, together with the Offer to Purchase and the Certification Instructions Letter, the “*Tender Offer Documents*”). This Offer to Purchase contains important information that Eligible Holders are urged to read before any decision is made with respect to the Cash Offers.

Any questions regarding procedures for tendering Old Notes or requests for additional copies of the Tender Offer Documents should be directed to the Information Agent. Copies of the Offer to Purchase, the Certification Instructions Letter and Notice of Guaranteed Delivery are available for Eligible Holders at the following web address: <http://www.gbsc-usa.com/Citizens>. Subject to applicable law and limitations described elsewhere in this Offer to Purchase, each Cash Offer may be amended, extended or, upon failure of a condition to be satisfied or, if waivable, waived prior to the applicable Expiration Date, terminated individually.

Concurrently with the Cash Offers, Citizens is conducting separate exchange offers with respect to each series of Old Notes, available solely to holders that are QIBs or non-U.S. Persons located outside of the United States within the meaning of Regulation S of the Securities Act, which holders are not eligible to participate in the Cash Offers (together, “*Ineligible Holders*”) to exchange any and all of the Old Notes of such series (collectively, the “*Exchange Offers*”) held by Ineligible Holders for new Subordinated Notes due 2032 to be issued by Citizens (the “*New Notes*”) upon the terms and subject to the conditions set forth in a separate Offering Memorandum dated as of the date hereof (the “*Offering Memorandum*”). **Holders eligible to participate in the Exchange Offers are not eligible to participate in the Cash Offers.**

The following are **Ineligible Holders**:

- any holder that is a QIB; or
- any holder that is located outside the United States and (i) is not a “U.S. Person,” (ii) is not acting for the account or benefit of a U.S. Person and (iii) is a Non-U.S. Qualified Offeree.

Only other holders of Old Notes are eligible to participate in the Cash Offers. Holders participating in the Cash Offers are required to complete the Certification Instructions Letter (as defined below) and certify that they are Eligible Holders.

Citizens reserves the right to request additional information from a tendering holder in order to determine to its satisfaction, in its sole discretion, that such holder is an Eligible Holder. In making such a determination, Citizens may consider, among other things, the aggregate principal amount of Old Notes such holder is tendering in the Cash Offers and the geographical location of the account from which the tender originated. If Citizens requests additional information from a tendering holder, such holder must provide the requested information to Citizens within one business day of the date of such request. Failure to provide evidence satisfactory to Citizens, in its sole discretion, that such tendering holder is an Eligible Holder within such time period may result in such tender being rejected. In the event that Citizens determines in its sole discretion that a tendering holder is not an Eligible Holder following the Expiration Date, such tendering holder will not have any right to participate in the Cash Offers. Citizens will not extend the Cash Offers or Exchange Offers to accommodate any tenders that are rejected as a result of a failure to comply with the provisions of this Offer to Purchase.

Old Notes Subject to the Cash Offers

As of the date of this Offer to Purchase, the aggregate outstanding principal amount of the Old Notes subject to the Cash Offers is \$1,642,000,000.

Determination of the Total Consideration

Upon the terms and subject to the conditions set forth in the Tender Offer Documents, Eligible Holders who (i) validly tender and do not validly withdraw Old Notes at or prior to the Expiration Date or (ii) deliver a properly completed and duly executed Notice of Guaranteed Delivery and all other required documents at or prior to the Expiration Date and tender their Old Notes at or prior to the Guaranteed Delivery Date, and, in each case, whose Old Notes are accepted for purchase by us, will receive the applicable Total Consideration (as defined below) for each \$1,000 principal amount of Old Notes, which will be payable in cash.

The consideration for each \$1,000 principal amount of each series of Old Notes validly tendered at or prior to the Expiration Date or the Guaranteed Delivery Date pursuant to the Guaranteed Delivery Procedures, and not validly withdrawn (each, a “*Total Consideration*”), will be calculated at 11:00 a.m. (Eastern time) on September 25, 2020 unless extended (such date and time with respect to a Cash Offer, as it may be extended with respect to such Cash Offer, the “*Price Determination Date*”). The Total Consideration for each series of Old Notes will be determined in accordance with standard market practice as described in this Offer to Purchase, using the applicable yield (each, a “*Cash Offer Yield*”), which will be equal to the sum of:

- (i) the yield (the “*Reference Yield*”), as calculated by the Lead Dealer Manager (as defined below), that equates to the bid-side price of the Reference U.S. Treasury Security specified on the front cover page of this Offer to Purchase for such series of Old Notes appearing at the Price Determination Date as displayed on the Bloomberg Reference Page PX1 (the “*Bloomberg Reference Page*”) (or any other recognized quotation source selected by the Lead Dealer Manager in its sole discretion if such page is not available or manifestly erroneous), *plus*
- (ii) the fixed spread (the “*Fixed Spread*”) specified on the front cover page of this Offer to Purchase for such series of Old Notes.

Accordingly, the Total Consideration payable by us for each \$1,000 principal amount of each series of Old Notes will equal:

- (i) the present value on the Settlement Date of \$1,000 principal amount of such Old Notes due on the maturity or par call date, as applicable, of such Old Notes and all scheduled interest payments on such principal amount of Old Notes to be made from, but excluding, the Settlement Date to, and including, such maturity or par call date, as applicable, discounted to the Settlement Date in accordance with standard market practice as described by the formula set forth in Annex A to this Offer to Purchase, at a discount rate equal to the applicable Cash Offer Yield, *minus*
- (ii) the Accrued Coupon Payment per \$1,000 principal amount of such Old Notes;

such amount being rounded to the nearest cent per \$1,000 principal amount of such Old Notes.

The Total Consideration has been determined by Citizens in its reasonable discretion to approximate the value of the total exchange prices payable in new Citizens notes and cash in the corresponding Exchange Offers.

We will announce the applicable Total Consideration for each series of Old Notes as soon as practicable after it is determined by the Lead Dealer Manager.

Accrued Interest

In addition to the applicable Total Consideration, Eligible Holders whose Old Notes are accepted for purchase will be paid accrued and unpaid interest on such Old Notes to, but not including, the Settlement Date (the “*Accrued Coupon Payment*”). Interest will cease to accrue on the Settlement Date for all Old Notes accepted in the Cash Offers, including those tendered through the Guaranteed Delivery Procedures.

General

Old Notes of a given series may be tendered only in principal amounts equal to the minimum authorized denomination and integral multiples in excess of the minimum authorized denomination set forth for such series in the table below (each, an “*Authorized Denomination*”). No alternative, conditional or contingent tenders will be accepted. Eligible Holders who tender less than all of their Old Notes must continue to hold Old Notes in the Authorized Denominations set forth below.

CUSIP Number	Title of Security	Authorized Denomination	
		Minimum Authorized Denomination	Integral Multiples
75524RAA7 /			
U7535RAA4	4.150% Subordinated Notes due 2022	\$200,000	\$1,000
174610AL9	3.750% Subordinated Notes due 2024	\$200,000	\$1,000
174610AC9	4.023% Subordinated Notes due 2024	\$200,000	\$1,000
174610AJ4	4.350% Subordinated Notes due 2025	\$ 2,000	\$1,000
174610AK1	4.300% Subordinated Notes due 2025	\$ 2,000	\$1,000

On the Settlement Date, we will deposit with The Depository Trust Company (“*DTC*”) an amount of cash sufficient to purchase any Old Notes validly tendered and accepted by us at the Settlement Date in the amount and manner described in this Offer to Purchase.

The “*Settlement Date*” with respect to the Cash Offers will be promptly following the Expiration Date and is expected to be September 30, 2020, which is the third business day after the Expiration Date.

Unless the context indicates otherwise, all references to a valid tender of Old Notes in this Offer to Purchase shall mean either (i) that such Old Notes have been validly tendered at or prior to the applicable Expiration Date and have not been validly withdrawn at or prior to the applicable Withdrawal Deadline or (ii) (a) a Notice of Guaranteed Delivery and all other required documents have been delivered to the Tender Agent at or prior to the Expiration Date and (b) such Old Notes have been validly tendered at or prior to 5:00 p.m. (Eastern time) on the second business day after the applicable Expiration Date (the “*Guaranteed Delivery Date*”).

Withdrawal Rights

Old Notes tendered in the Cash Offers may be validly withdrawn at any time at or prior to the applicable Withdrawal Deadline for such series. Subject to applicable law, we may extend the Expiration Date with respect to any series, with or without extending the Withdrawal Deadline for such series, unless required by law. Old Notes tendered after the applicable Withdrawal Deadline may not be withdrawn and such tenders will be irrevocable, except where additional withdrawal rights are required by law (as determined by Citizens in its reasonable discretion).

Cash Offer Conditions

Our obligation to accept Old Notes tendered in the Cash Offers is subject to the satisfaction of certain conditions described under “Description of the Cash Offers—Conditions to the Cash Offers,” including (1) certain customary conditions, including that we will not be obligated to consummate the Cash Offers upon the occurrence of an event or events or the likely occurrence of an event or events that would or might reasonably be expected to prohibit, restrict or delay the consummation of the Cash Offers or materially impair the contemplated benefits to us of the Cash Offers, (2) the Maximum Total Consideration Condition (as defined below) and (3) the Exchange Offer Completion Condition (as defined below). Citizens reserves the right, subject to applicable law, to waive any and all conditions to any Cash Offer, except for the Exchange Offer Completion Condition. See “Description of the Cash Offers—Conditions to the Cash Offers.”

Maximum Total Consideration Condition

The Company's obligation to accept and pay for any 4.150% Subordinated Notes due 2022 is conditioned (the "2022 Notes Maximum Total Consideration Condition") on the aggregate Total Consideration required to be paid for such notes not exceeding \$5,000,000 (the "2022 Notes Maximum Total Consideration Amount").

The Company's obligation to accept and pay for any 3.750% Subordinated Notes due 2024 is conditioned (the "3.750% 2024 Notes Maximum Total Consideration Condition") on the aggregate Total Consideration required to be paid for such notes not exceeding \$5,000,000 (the "3.750% 2024 Notes Maximum Total Consideration Amount").

The Company's obligation to accept and pay for any 4.023% Subordinated Notes due 2024 is conditioned (the "4.023% 2024 Notes Maximum Total Consideration Condition") on the aggregate Total Consideration required to be paid for such notes not exceeding \$5,000,000 (the "4.023% 2024 Notes Maximum Total Consideration Amount").

The Company's obligation to accept and pay for any 4.350% Subordinated Notes due 2025 is conditioned (the "4.350% 2025 Notes Maximum Total Consideration Condition") on the aggregate Total Consideration required to be paid for such notes not exceeding \$15,000,000 (the "4.350% 2025 Notes Maximum Total Consideration Amount").

The Company's obligation to accept and pay for any 4.300% Subordinated Notes due 2025 is conditioned (the "4.300% 2025 Notes Maximum Total Consideration Condition") on the aggregate Total Consideration required to be paid for such notes not exceeding \$30,000,000 (the "4.300% 2025 Notes Maximum Total Consideration Amount").

We refer to the 2022 Notes Maximum Total Consideration Condition, the 3.750% 2024 Notes Maximum Total Consideration Condition, the 4.023% 2024 Notes Maximum Total Consideration Condition, the 4.350% 2025 Notes Maximum Total Consideration Condition and the 4.300% 2025 Notes Maximum Total Consideration Condition, as applicable to the Cash Offers, as the "*Maximum Total Consideration Condition*" and to each of the 2022 Notes Maximum Total Consideration Amount, the 3.750% 2024 Notes Maximum Total Consideration Amount, the 4.023% 2024 Notes Maximum Total Consideration Amount, the 4.350% 2025 Notes Maximum Total Consideration Amount and the 4.300% 2025 Notes Maximum Total Consideration Amount as a "*Maximum Total Consideration Amount*."

Citizens expressly reserves the right, subject to applicable law, to:

- (i) waive the Maximum Total Consideration Condition with respect to any series of Old Notes by increasing the Maximum Total Consideration Amount in the Cash Offer with respect to such series of Old Notes, and
- (ii) waive the Maximum Total Consideration Condition with respect to one, some or all of the series of Old Notes in respect of which the Maximum Total Consideration Condition is not satisfied.

Accordingly, if Citizens waives the Maximum Total Consideration Condition with respect to one series of Old Notes, it may decide not to waive the Maximum Total Consideration Condition with respect to any other series of Old Notes in respect of which the Maximum Total Consideration Condition is not satisfied.

It is possible that the Maximum Total Consideration Condition for a particular series of Old Notes will not be satisfied or waived, and therefore such series of Old Notes will not be accepted for purchase, even if one or more other series of Old Notes is accepted for purchase. If Old Notes of any series are accepted for purchase pursuant to the Cash Offers, all validly tendered Old Notes of that series will be accepted for purchase. No series of Old Notes will be subject to proration pursuant to the Cash Offers.

Exchange Offer Completion Condition

Citizens' obligation to complete any Cash Offer with respect to a particular series of Old Notes is conditioned on the timely satisfaction or waiver of all conditions precedent to the completion of the corresponding Exchange Offer for such series of Old Notes (with respect to each Cash Offer, the "*Exchange Offer Completion Condition*"), and Citizens' obligation to complete an Exchange Offer with respect to a particular series of Old Notes is subject to various conditions as set forth in the Offering Memorandum, including that all of the conditions precedent to the completion of the corresponding Cash Offer are timely satisfied or, if waivable, waived.

Citizens will terminate a Cash Offer for a given series of Old Notes if it terminates the Exchange Offer for such series of Old Notes, and it will terminate the Exchange Offer for a given series of Old Notes if it terminates the Cash Offer for such series of Old Notes.

The termination of an Exchange Offer for a series of Old Notes will not impact the Cash Offers for any other series of Old Notes. The Exchange Offer Completion Condition cannot be waived by Citizens. If Citizens extends any Exchange Offer for a series of Old Notes for any reason, Citizens will extend the corresponding Cash Offer for such series of Old Notes.

Compliance with "Short Tendering" Rule

It is a violation of Rule 14e-4 promulgated under the Securities Exchange Act of 1934, as amended (the "*Exchange Act*" and, such rule, "*Rule 14e-4*"), for a person, directly or indirectly, to tender Old Notes for her or his own account unless the person so tendering (a) has a net long position equal to or greater than the aggregate principal amount of the Old Notes being tendered and (b) will cause such Old Notes to be delivered in accordance with the terms of the Cash Offers. Rule 14e-4 provides a similar restriction applicable to the tender or guarantee of a tender on behalf of another person.

A tender of Old Notes in any Cash Offer under any of the procedures described above will constitute a binding agreement between the tendering Eligible Holder and us with respect to such Cash Offer upon the terms and subject to the conditions of such Cash Offer, including the tendering Eligible Holder's acceptance of the terms and conditions of such Cash Offer, as well as the tendering Eligible Holder's representation and warranty that (a) such Eligible Holder has a net long position in the Old Notes being tendered pursuant to such Cash Offer within the meaning of Rule 14e-4 and (b) the tender of such Old Notes complies with Rule 14e-4.

Company's Right to Amend or Terminate

Subject to applicable law and limitations described elsewhere in this Offer to Purchase, each Cash Offer may be amended, extended or, upon failure of a condition to be satisfied or, if waivable, waived prior to the applicable Expiration Date, terminated individually.

Although we have no present plans or arrangements to do so, we reserve the right to amend, at any time, the terms of any of the Cash Offers in accordance with this Offer to Purchase and applicable law. We will give Eligible Holders notice of any amendments and will extend the Expiration Date if required by applicable law.

Important Dates and Times

<u>Date</u>	<u>Calendar Date</u>	<u>Event</u>
Commencement of the Cash Offers	September 21, 2020	The day the Cash Offers are announced, and the Offer to Purchase is made available to Eligible Holders (as described below).
Price Determination Date	11:00 a.m. (Eastern time) on September 25, 2020, unless extended with respect to any Cash Offer.	The date and time that the applicable Total Consideration will be determined. If the Expiration Date with respect to a Cash Offer is extended by more than 24 hours, the applicable Price Determination Date will be extended to 11:00 a.m. on the same day as the new Expiration Date.
Withdrawal Deadline	5:00 p.m. (Eastern time) on September 25, 2020, unless extended with respect to any Cash Offer.	The deadline for Old Notes to be validly withdrawn, unless a later deadline is required by law. See “Description of the Cash Offers—Withdrawal of Tenders.”
Expiration Date	5:00 p.m. (Eastern time) on September 25, 2020, unless extended with respect to any Cash Offer.	The deadline for Eligible Holders to validly tender Old Notes (without using the Guaranteed Delivery Procedures) in order to be eligible to receive the applicable Total Consideration on the Settlement Date.
Guaranteed Delivery Date	5:00 p.m. (Eastern time) on the second business day after the Expiration Date, expected to be 5:00 p.m. (Eastern time) on September 29, 2020, with respect to each Cash Offer, unless extended with respect to such Cash Offer.	The deadline for Eligible Holders to tender Old Notes, if any, validly tendered pursuant to the Guaranteed Delivery Procedures.
Settlement Date	Expected to be the first business day after the Guaranteed Delivery Date. The expected Settlement Date is September 30, 2020, with respect to each Cash Offer, unless extended with respect to such Cash Offer.	Applicable cash amounts will be paid for any Old Notes validly tendered (and not validly withdrawn) and accepted by us, in the amount and manner described in this Offer to Purchase.

The above times and dates are subject to our right to extend, amend and/or terminate the Cash Offers (subject to applicable law and as provided in this Offer to Purchase). Eligible Holders of Old Notes are advised to check with any bank, securities broker or other intermediary through which they hold Old Notes as to when such intermediary would need to receive instructions from a beneficial owner in order for that beneficial owner to be able to participate in, or withdraw their instruction to participate in, a Cash Offer before the deadlines specified in this Offer to Purchase. The deadlines set by any such intermediary and DTC for the submission of tender instructions will be earlier than the relevant deadlines specified above.

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This Offer to Purchase does not constitute an offer or an invitation by, or on behalf of, us or by, or on behalf of, the Dealer Managers to participate in the Cash Offers in any jurisdiction in which it is unlawful to make such an offer or solicitation in such jurisdiction. The distribution of this Offer to Purchase in certain jurisdictions may be restricted by law. Persons into whose possession this Offer to Purchase comes are required by us and the Dealer Managers to inform themselves about and to observe any such restrictions. This Offer to Purchase may not be used for or in connection with an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or made to any person to whom it is unlawful to make such offer or solicitation. See “Notice to Certain Non-U.S. Holders.”

In making a decision regarding the Cash Offers, you must rely on your own examination of us and the terms of the Cash Offers, including the merits and risks involved. You should not consider any information in this Offer to Purchase to be legal, business or tax advice. You should consult your own counsel, accountant and other advisors as to the legal, tax, business, financial and related aspects of an acceptance of the Cash Offers.

This Offer to Purchase contains summaries of certain documents which we believe are accurate, and it incorporates certain documents and information by reference. We refer you to the actual documents and information for a more complete understanding of what is discussed in this Offer to Purchase, and we qualify all summaries by such reference. We will make copies of such documents and information available to you upon request. See “Where You Can Find More Information.”

Neither the Securities and Exchange Commission (the “SEC”) nor any other regulatory body has recommended or approved or passed upon the accuracy or adequacy of this Offer to Purchase. Any representation to the contrary is a criminal offense.

You should contact the Dealer Managers with any questions about the terms of the Cash Offers.

Notwithstanding any other provision of the Tender Offer Documents, except as reasonably necessary to comply with applicable securities laws, investors (and each employee, representative or other agent of the investors) may disclose to any and all persons, without limitation of any kind, the United States federal and state income tax treatment and structure of the Cash Offers and all materials of any kind (including opinions or other tax analyses) that are provided to the investors relating to such tax treatment and tax structure. For this purpose, “tax structure” is limited to facts relevant to the United States federal and state income tax treatment of the Cash Offers and does not include information relating to our identity or that of our affiliates, agents or advisors.

None of Citizens, the Dealer Managers, the Trustee (as defined below) under the Indenture (as defined below), the Tender Agent or the Information Agent makes any recommendation as to whether or not Eligible Holders of the Old Notes should tender their Old Notes in the Cash Offers.

You should read this entire Offer to Purchase (including the information incorporated by reference) and related documents and any amendments or supplements carefully before making your decision to participate in the Cash Offers.

Eligible Holders must tender their Old Notes in accordance with the procedures described under “Description of the Cash Offers—Procedures for Tendering.”

No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in, or incorporated by reference into, this Offer to Purchase, and, if given or made, such information or representation may not be relied upon as having been authorized by the Company, the Tender Agent, the Information Agent, the Dealer Managers or the Trustee. The delivery of this Offer to Purchase will not, under any circumstance, create any implication that the information herein is current as of any time subsequent to the date hereof. You should not assume that the information appearing in this Offer to Purchase or any document incorporated by reference is accurate as of any date other than the date of the applicable document or dates specified in the applicable document. Our business, financial condition, results of operations and prospects may have changed since those dates.

After the Expiration Date, Citizens or its affiliates may from time to time purchase additional Old Notes in the open market, in privately negotiated transactions, through tender offers, exchange offers or otherwise, or Citizens may redeem Old Notes pursuant to the terms of the Indenture governing the Old Notes. Any future purchases may be on the same terms or on terms that are more or less favorable to Eligible Holders of Old Notes than the terms of the Cash Offers and, in any such case, could be for cash or other consideration. Any future purchases will depend on various factors existing at that time. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) Citizens will choose to pursue in the future.

The Dealer Managers or their affiliates may from time to time purchase additional Old Notes in the open market or in privately negotiated transactions.

SUMMARY

The following information should be read together with the information contained in or incorporated by reference in other parts of this Offer to Purchase. It may not contain all the information that is important to you. You should carefully read this entire Offer to Purchase, as well as the information to which we refer you and the information incorporated by reference herein, before making a decision to participate in the Cash Offers. If any statement in this Offer to Purchase conflicts with any statement in a document that we have incorporated by reference, then you should consider only the statement in the more recent document. You should pay special attention to the “Risk Factors” section of this Offer to Purchase, our Annual Report on Form 10-K for the year ended December 31, 2019 (the “2019 Form 10-K”) and our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020 (the “2Q20 Form 10-Q”) to determine whether participation in the Cash Offers is appropriate for you.

Citizens Financial Group, Inc.

Citizens Financial Group, Inc. is one of the nation’s oldest and largest financial institutions, with \$179.9 billion in assets as of June 30, 2020. Citizens’ mission is to help its customers, colleagues and communities reach their potential by listening to them and understanding their needs in order to offer tailored advice, ideas and solutions. Headquartered in Providence, Rhode Island, Citizens offers a broad range of retail and commercial banking products and services to individuals, small businesses, middle-market companies, large corporations and institutions. In Consumer Banking, Citizens provides an integrated experience that includes mobile and online banking, a 24/7 customer contact center and the convenience of approximately 2,700 ATMs and approximately 1,000 branches in 11 states in the New England, Mid-Atlantic and Midwest regions. Consumer Banking products and services include a full range of banking, lending, savings, wealth management and small business offerings. In Commercial Banking, Citizens offers corporate, institutional and not-for-profit clients a full range of wholesale banking products and services including lending and deposits, capital markets, treasury services, foreign exchange and interest rate products, and asset finance.

Citizens is a bank holding company which was incorporated under Delaware state law in 1984 whose primary federal regulator is the Board of Governors of the Federal Reserve System. Our primary subsidiary is Citizens Bank, N.A., a national banking association whose primary federal regulator is the Office of the Comptroller of the Currency. For a description of our business, financial condition, results of operations and other important information regarding Citizens, we refer you to our filings with the SEC incorporated by reference in this Offer to Purchase. For instructions on how to find copies of these documents, see “Where You Can Find More Information.”

Our principal executive offices are located at Citizens Financial Group, Inc., One Citizens Plaza, Providence, RI 02903 and our telephone number is (401) 456-7000.

Summary of the Cash Offers

The following summary contains basic information about the Cash Offers and is not intended to be complete. It may not contain all the information that is important to you. For a more complete understanding of the Cash Offers, you should read the section of this Offer to Purchase entitled "Description of the Cash Offers."

Offeror Citizens Financial Group, Inc.

The Cash Offers..... Citizens hereby invites all Eligible Holders of Old Notes to tender, upon the terms and subject to the conditions set forth in the Tender Offer Documents, any and all of their Old Notes pursuant to the following five separate offers to purchase for cash any and all of the following securities:

- (a) 4.150% Subordinated Notes due 2022;
- (b) 3.750% Subordinated Notes due 2024;
- (c) 4.023% Subordinated Notes due 2024;
- (d) 4.350% Subordinated Notes due 2025; and
- (e) 4.300% Subordinated Notes due 2025.

As of the date of this Offer to Purchase, \$1.642 billion aggregate principal amount of Old Notes subject to the Cash Offers is outstanding.

Eligibility to Participate in the Cash Offer

The following are Ineligible Holders:

- **any holder that is a QIB; or**
- **any holder that is located outside the United States and (i) is not a "U.S. Person," (ii) is not acting for the account or benefit of a U.S. Person and (iii) is a Non-U.S. Qualified Offeree.**

Only other holders of Old Notes are eligible to participate in the Cash Offers. Holders participating in the Cash Offers are required to complete the Certification Instructions Letter and certify that they are Eligible Holders.

Total Consideration Upon the terms and subject to the conditions set forth in the Tender Offer Documents, Eligible Holders who (i) validly tender and do not validly withdraw Old Notes at or prior to the Expiration Date or (ii) deliver a properly completed and duly executed Notice of Guaranteed Delivery and all other required documents at or prior to the Expiration Date and validly tender their Old Notes at or prior to the Guaranteed Delivery Date, and, in each case, whose Old Notes are accepted for purchase by us, will receive the applicable Total Consideration for each \$1,000 principal amount of Old Notes.

Determination of the Total Consideration.....

The Total Consideration for each \$1,000 principal amount of Old Notes validly tendered at or prior to the Expiration Date or the Guaranteed Delivery Date pursuant to the Guaranteed Delivery Procedures, and not validly withdrawn, and accepted by us pursuant to the Cash Offers will be determined in accordance with standard market practice, as described in this Offer to Purchase using the applicable Cash Offer Yield, which will be equal to the sum of (i) the applicable Reference Yield, which shall be based on the

bid-side price of the applicable Reference U.S. Treasury Security specified on the front cover page of this Offer to Purchase for such series of Old Notes appearing at the Price Determination Date on the Bloomberg Reference Page (or any other recognized quotation source selected by the Lead Dealer Manager in its sole discretion if such page is not available or manifestly erroneous), *plus* (ii) the applicable Fixed Spread specified on the front cover page of this Offer to Purchase for such series of Old Notes.

Accordingly, the Total Consideration payable by us for each \$1,000 principal amount of each series of Old Notes will equal:

- (i) the present value on the Settlement Date of \$1,000 principal amount of such Old Notes due on the maturity or par call date, as applicable, of such Old Notes and all scheduled interest payments on such principal amount of Old Notes to be made from, but excluding, the Settlement Date to and including such maturity or par call date, as applicable, discounted to the Settlement Date in accordance with standard market practice as described by the formula set forth in Annex A to this Offer to Purchase, at a discount rate equal to the applicable Cash Offer Yield, *minus*
- (ii) the Accrued Coupon Payment per \$1,000 principal amount of such Old Notes,

such Total Consideration being rounded to the nearest cent per \$1,000 principal amount of such Old Notes.

Accrued Interest In addition to the applicable Total Consideration, Eligible Holders whose Old Notes are accepted for purchase will be paid the applicable Accrued Coupon Payment. Interest will cease to accrue on the Settlement Date for all Old Notes accepted in the Cash Offers, including those tendered through the Guaranteed Delivery Procedures.

Conditions to the Cash Offers Our obligation to accept Old Notes tendered in the Cash Offers is subject to the satisfaction of certain conditions, including (1) certain customary conditions, including that we will not be obligated to consummate the Cash Offers upon the occurrence of an event or events or the likely occurrence of an event or events that would or might reasonably be expected to prohibit, restrict or delay the consummation of the Cash Offers or materially impair the contemplated benefits to us of the Cash Offers, (2) the Maximum Total Consideration Condition and (3) the Exchange Offer Completion Condition.

We may not waive the Exchange Offer Completion Condition.

Subject to applicable law and limitations described elsewhere in this Offer to Purchase, we may waive any of the other conditions in our sole discretion.

See “Description of the Cash Offers—Conditions to the Cash Offers.”

Price Determination Date 11:00 a.m. (Eastern time) on September 25, 2020 with respect to each Cash Offer (as the same may be extended with respect to such Cash Offer). If the Expiration Date with respect to a Cash Offer is extended by more than 24 hours, the applicable Price Determination Date will be extended to 11:00 a.m. on the same day as the new Expiration Date.

Withdrawal Deadline.....	5:00 p.m. (Eastern time) on September 25, 2020 with respect to each Cash Offer (as the same may be extended with respect to such Cash Offer).
Expiration Date.....	5:00 p.m. (Eastern time) on September 25, 2020 with respect to each Cash Offer (as the same may be extended with respect to such Cash Offer).
Guaranteed Delivery Date	5:00 p.m. (Eastern time) on the second business day after the Expiration Date, expected to be 5:00 p.m. (Eastern time) on September 29, 2020 with respect to each Cash Offer (as the same may be extended with respect to such Cash Offer).
Settlement Date	The Settlement Date for a Cash Offer will be promptly following the Guaranteed Delivery Date and is expected to be the third business day following the Expiration Date (September 30, 2020) with respect to such Cash Offer (as the same may be extended with respect to such Cash Offer).
Withdrawal of Tenders	Old Notes tendered in the Cash Offers may be validly withdrawn at any time at or prior to the applicable Withdrawal Deadline. Subject to applicable law, we may extend an Expiration Date, with or without extending the related Withdrawal Deadline. Old Notes tendered after the applicable Withdrawal Deadline may not be withdrawn and such tenders will be irrevocable, except where additional withdrawal rights are required by law. See “Description of the Cash Offers—Withdrawal of Tenders.”
Company’s Right to Amend or Terminate	Subject to applicable law and limitations described elsewhere in this Offer to Purchase, each Cash Offer may be amended, extended or, upon failure of a condition to be satisfied or, if waivable, waived prior to the applicable Expiration Date, terminated individually. Although we have no present plans or arrangements to do so, we reserve the right to amend, at any time, the terms of any of the Cash Offers consistent with the requirements of this Offer to Purchase and applicable law. We will give Eligible Holders notice of any amendments and will extend the Expiration Date if required by applicable law.
Procedures for Tendering	For an Eligible Holder to validly tender Old Notes pursuant to the Cash Offers, an Agent’s Message (as defined below) and any other required documents must be received by the Tender Agent at its address set forth on the back cover page of this Offer to Purchase at or prior to the Expiration Date or the Guaranteed Delivery Date pursuant to the Guaranteed Delivery Procedures. See “Description of the Cash Offers—Procedures for Tendering.”
Tax Considerations.....	For a summary of certain U.S. federal income tax considerations of the Cash Offers to Eligible Holders of Old Notes, see “Certain U.S. Federal Tax Consequences.”
Use of Proceeds	We will not receive any cash proceeds from the Cash Offers.
Information and Tender Agent ...	Global Bondholder Services Corporation is the Information Agent (the “ <i>Information Agent</i> ”) and the Tender Agent (the “ <i>Tender Agent</i> ”) for the Cash Offers. The address and telephone numbers of Global Bondholder Services Corporation are listed on the back cover page of this Offer to Purchase.

Lead Dealer Manager	Credit Suisse Securities (USA) LLC (the “ <i>Lead Dealer Manager</i> ”). The address and telephone numbers of the Lead Dealer Manager is listed on the back cover page of this Offering Memorandum.
Co-Dealer Manager	Citizens Capital Markets, Inc. (the “ <i>Co-Dealer Manager</i> ” and, together with the Lead Dealer Manager, the “ <i>Dealer Managers</i> ”).
Purpose of the Cash Offers	The purpose of the Cash Offers, together with the Exchange Offers, is to extend the maturity of the debt obligations associated with the Old Notes.
Further Information; Questions ..	Questions concerning tender procedures and requests for additional copies of this Offer to Purchase should be directed to the Information Agent at its address or telephone numbers listed on the back cover page of this Offer to Purchase. Any questions concerning the terms of the Cash Offers should be directed to the Lead Dealer Manager at the telephone numbers listed on the back cover page of this Offer to Purchase.

RISK FACTORS

You should carefully consider the risks related to the Cash Offers described below, the risk factors included in our 2019 Form 10-K and in our 2Q20 Form 10-Q, as well as the other information included or incorporated by reference in this Offering Memorandum, before making a decision to tender Old Notes pursuant to the Cash Offers. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. This Offer to Purchase also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks related to the Cash Offers and faced by us described below and elsewhere in this Offer to Purchase.

The liquidity of any trading market that currently exists for the Old Notes may be adversely affected by the Cash Offers and the Exchange Offers, and Eligible Holders who fail to participate in the Cash Offers may find it more difficult to sell their Old Notes after the Cash Offers are completed.

To the extent tenders of Old Notes for purchase in the Cash Offers (and tenders by Ineligible Holders in the concurrent Exchange Offers) are accepted by us and the Cash Offers (and the concurrent Exchange Offers) are completed, the trading markets for the Old Notes that remain outstanding following such completion may be significantly more limited. The remaining Old Notes may command lower prices than comparable issues of securities with greater market liquidity. Reduced market values and reduced liquidity may also make the trading prices of the remaining Old Notes more volatile. As a result, the market prices for the Old Notes that remain outstanding after the completion of the Cash Offers (and the concurrent Exchange Offers) may be adversely affected as a result of the Cash Offers. None of the Company, the Dealer Managers, the Tender Agent or the Information Agent has any duty to make a market in any remaining series of Old Notes.

Certain credit ratings for the Old Notes may be withdrawn following the Cash Offers.

Certain credit ratings on Old Notes that are not tendered for purchase may be withdrawn after the completion of the Cash Offers, which could materially adversely affect the market price and liquidity for each series of such Old Notes.

The Cash Offers may be cancelled or delayed.

The consummation of the Cash Offers is subject to, and conditional upon, the satisfaction or, if waivable, waiver of the conditions discussed under “Description of the Cash Offers—Conditions to the Cash Offers.” We may, at our option and in our sole discretion, waive any such conditions (other than the Exchange Offer Completion Condition). Even if the Cash Offers are completed, the Cash Offers may not be completed on the schedule described in this Offer to Purchase. Accordingly, Eligible Holders participating in the Cash Offers may have to wait longer than expected to receive the Total Consideration during which time those holders of the Old Notes will not be able to effect transfers of their tendered Old Notes.

Your tender of Old Notes may not be accepted if the applicable procedures for the Cash Offers are not followed and will not be accepted unless you are an Eligible Holder.

We will purchase your Old Notes for the Total Consideration only if you tender your Old Notes and deliver properly completed documentation for the applicable Cash Offer and if your Old Notes are accepted for purchase pursuant to the Cash Offers. Eligible Holders of Old Notes are responsible for complying with all of the procedures for tendering Old Notes for purchase. If the instructions are not strictly complied with, the Agent’s Message may be rejected. See “Description of the Cash Offers—Procedures for Tendering” for a description of the procedures to be followed to tender your Old Notes.

Only Eligible Holders may participate in the Cash Offers. Citizens reserves the right, in its sole discretion, to request additional evidence satisfactory to Citizens that any tendering holder is an Eligible Holder and to reject any tenders that Citizens determines, in its sole discretion, are not tendered by an Eligible Holder. If that rejection occurs after the Expiration Date, a holder of Old Notes that is not eligible to participate in the Cash Offers will not

be able to timely participate in the Exchange Offers, subject to the right of Citizens, in its sole discretion, to waive certain conditions of the Exchange Offers.

You should allow sufficient time to ensure delivery of the necessary documents. If you tender your Old Notes in the Cash Offers shortly prior to the Expiration Date and you are not an Eligible Holder, you should expect that you will be required to continue to hold your Old Notes and be subject to the risks of a holder of Old Notes. None of us, the Dealer Managers, the Information Agent, the Tender Agent or any other person is under any duty to give notification of defects or irregularities with respect to the tenders of the Old Notes for purchase.

Failure to complete any of the Cash Offers successfully could negatively affect the prices of the applicable Old Notes.

Several conditions must be satisfied or, if waivable, waived in order to complete each of the Cash Offers, including (1) certain customary conditions, including that we will not be obligated to consummate the Cash Offers upon the occurrence of an event or events or the likely occurrence of an event or events that would or might reasonably be expected to prohibit, restrict or delay the consummation of the Cash Offers or materially impair the contemplated benefits to us of the Cash Offers, (2) the Maximum Total Consideration Condition and (3) the Exchange Offer Completion Condition.

The conditions to any of the Cash Offers may not be satisfied, and if not satisfied or waived, to the extent that the conditions may be waived, such Cash Offer may not occur or may be delayed. If a Cash Offer is not completed or is delayed, the respective market prices of any or all of the series of Old Notes subject to such Cash Offer may decline to the extent that the respective current market prices reflect an assumption that such Cash Offer has been or will be completed.

During the pendency of the Cash Offers, the market prices of the Old Notes may be volatile.

During the pendency of the Cash Offers, holders of Old Notes may terminate all or a portion of any hedging arrangements they have entered into in respect of their Old Notes, which may lead to increased purchase activity by or on behalf of such holders during the Cash Offers. In addition, holders of Old Notes wishing to participate in the Exchange Offers may seek to establish hedging positions with respect to the New Notes, which may lead to increased selling activity by or on behalf of such holders during the Cash Offers. Such purchase or selling activity may lead to unusually high trading volumes and volatile pricing during the period of the Cash Offers.

We may in the future repurchase any Old Notes that are not tendered in the Cash Offers on terms that are more favorable to the holders of the Old Notes than the terms of the Cash Offers.

We or our affiliates may, to the extent permitted by applicable law, after the Expiration Date of the Cash Offers, acquire Old Notes that are not tendered and accepted in the Cash Offers through open market purchases, privately negotiated transactions, tender offers, exchange offers, redemption or otherwise, upon such terms and at such prices as we may determine, which with respect to the Old Notes may be more or less favorable to holders than the terms of the Cash Offers. There can be no assurance as to which, if any, of these alternatives or combinations thereof we or our affiliates may choose to pursue in the future.

Consideration for the Old Notes may not reflect their fair value.

Our board of directors has not made, and will not make, any recommendation as to whether holders of Old Notes should tender their Old Notes pursuant to the Cash Offers. The consideration offered for the Old Notes does not reflect any independent valuation of the Old Notes and does not take into account events or changes in financial markets (including interest rates) after the commencement of the Cash Offers. We have not obtained or requested a fairness opinion from any banking or other firm as to the fairness of the consideration for the Old Notes. If an Eligible Holder tenders such Eligible Holder's Old Notes, such Eligible Holder may or may not receive more or as much value than if such Eligible Holder chose to keep them. Although we have determined in our reasonable discretion that the value of the total consideration offered for each series of Old Notes in the Exchange Offers approximates the value of the Total Consideration for such series, their actual values may not be equal.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Offer to Purchase and the documents incorporated by reference herein include forward-looking statements. Any statement that does not describe historical or current facts is a forward-looking statement. These statements often include the words “believes,” “expects,” “anticipates,” “estimates,” “intends,” “plans,” “goals,” “targets,” “initiatives,” “potentially,” “probably,” “projects,” “outlook” or similar expressions or future conditional verbs such as “may,” “will,” “should,” “would,” and “could.”

Forward-looking statements are based upon the current beliefs and expectations of management, and on information currently available to management. Our statements speak as of the date they are made, and we do not assume any obligation to update these statements or to update the reasons why actual results could differ from those contained in such statements in light of new information or future events after the date of this Offer to Purchase, except as may be required by law. We caution you, therefore, against relying on any of these forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. While there is no assurance that any list of risks and uncertainties or risk factors is complete, important factors that could cause actual results to differ materially from those in the forward-looking statements include the following, without limitation:

- Negative economic and political conditions that adversely affect the general economy, housing prices, the job market, consumer confidence and spending habits which may affect, among other things, the level of nonperforming assets, charge-offs and provision expense;
- The rate of growth in the economy and employment levels, as well as general business and economic conditions, and changes in the competitive environment;
- Our ability to implement our business strategy, including the cost savings and efficiency components, and achieve our financial performance goals;
- The COVID-19 pandemic and its effects on the economic and business environments in which we operate;
- Our ability to meet heightened supervisory requirements and expectations;
- Liabilities and business restrictions resulting from litigation and regulatory investigations;
- Our capital and liquidity requirements (including under regulatory capital standards, such as the U.S. Basel III capital rules) and our ability to generate capital internally or raise capital on favorable terms;
- The effect of changes in interest rates on our net interest income, net interest margin and our mortgage originations, mortgage servicing rights and mortgages held for sale;
- Changes in interest rates and market liquidity, as well as the magnitude of such changes, which may reduce interest margins, impact funding sources and affect the ability to originate and distribute financial products in the primary and secondary markets;
- The effect of changes in the level of checking or savings account deposits on our funding costs and net interest margin;
- Financial services reform and other current, pending or future legislation or regulation that could have a negative effect on our revenue and businesses;
- A failure in or breach of our operational or security systems or infrastructure, or those of our third party vendors or other service providers, including as a result of cyber-attacks; and
- Management’s ability to identify and manage these and other risks.

More information about factors that could cause actual results to differ materially from those described in the forward-looking statements can be found under “Risk Factors” in this Offer to Purchase, our 2019 Form 10-K and our 2Q20 Form 10-Q, as well as the other information included or incorporated by reference in this Offer to Purchase.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public from the SEC's website at <http://www.sec.gov>.

We are incorporating by reference in this Offer to Purchase certain information that we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this Offer to Purchase, and later information that we file with the SEC will automatically update and supersede this information. We incorporate by reference the following documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act (other than, in each case, information that is deemed not to have been filed in accordance with SEC rules):

- Annual Report on Form 10-K for the year ended December 31, 2019, filed on February 24, 2020;
- Definitive proxy statement on Schedule 14A for the 2020 Annual Meeting of Shareholders, filed on March 9, 2020, as amended by supplements to the definitive proxy statement, filed on March 25, 2020 and April 3, 2020;
- Quarterly Reports on Form 10-Q for the quarters ended March 31, 2020 and June 30, 2020, filed on May 7, 2020 and August 6, 2020, respectively; and
- Current Reports on Form 8-K filed on February 3, 2020, February 6, 2020, February 24, 2020, April 24, 2020, April 27, 2020, April 30, 2020 and June 4, 2020.

You may request a copy of these filings (other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing), at no cost, by writing or calling us at the following address:

Citizens Financial Group, Inc.
600 Washington Blvd.
Stamford, CT 06901
Attn: Corporate Secretary
Telephone: (401) 456-7000
E-mail: CFGinvestorrelations@citizensbank.com

Our reports and documents incorporated by reference into this Offer to Purchase may also be found in the "Investor Relations" section of our website at <http://www.citizensbank.com>. Our website and the information contained in it or connected to it shall not be deemed to be incorporated into this Offer to Purchase.

DESCRIPTION OF THE CASH OFFERS

Purpose of the Cash Offers

The purpose of the Cash Offers, together with the Exchange Offers, is to (i) extend the maturity of the debt obligations associated with the Old Notes and (ii) replace subordinated debt that is or will soon be phased out of Citizens' Tier 2 capital with subordinated debt that will not be subject to a phase-out until 2027.

General

Citizens hereby invites all Eligible Holders of Old Notes to tender, upon the terms and subject to the conditions set forth in the Tender Offer Documents, any and all of their Old Notes pursuant to the following five separate offers to purchase for cash any and all of the following securities:

- 4.150% Subordinated Notes due 2022;
- 3.750% Subordinated Notes due 2024;
- 4.023% Subordinated Notes due 2024;
- 4.350% Subordinated Notes due 2025; and
- 4.300% Subordinated Notes due 2025.

As of the date of this Offer to Purchase, the aggregate outstanding principal amount of the Old Notes subject to the Cash Offers is \$1,642,000,000.

Concurrently with each Cash Offer for a series of Old Notes, Citizens is conducting a separate Exchange Offer, available solely to Ineligible Holders, to exchange any and all of such series of Old Notes held by Ineligible Holders for new Subordinated Notes due 2032 to be issued by Citizens upon the terms and subject to the conditions set forth in the Offering Memorandum. **Consequently, Ineligible Holders of Old Notes are not eligible to participate in the Cash Offers.**

Eligibility to Participate in the Cash Offers

The following are **Ineligible Holders**:

- any holder that is a QIB; or
- any holder that is located outside the United States and (i) is not a "U.S. Person," (ii) is not acting for the account or benefit of a U.S. Person and (iii) is a Non-U.S. Qualified Offeree.

Only other holders of Old Notes are eligible to participate in the Cash Offers. Holders participating in the Cash Offers are required to complete the Certification Instructions Letter and certify that they are Eligible Holders.

Citizens reserves the right, in its sole discretion, to (i) request additional information from a tendering holder in order to determine to its satisfaction, in its sole discretion, that such holder is an Eligible Holder and (ii) reject any tenders that Citizens determines, in its sole discretion, are not tendered by an Eligible Holder. In making such a determination, Citizens may consider, among other things, the aggregate principal amount of Old Notes such holder is tendering in the Cash Offers and the geographical location of the account from which the tender originated. If Citizens requests additional evidence with respect to a tendering holder's status, such tendering holder must provide the requested evidence to Citizens within one business day of the date of such request. Failure to provide evidence satisfactory to Citizens, in its sole discretion, that such tendering holder is an Eligible Holder within such time period may result in such tender being rejected. Citizens will not extend the Cash Offers or the concurrent

Exchange Offers to accommodate any tenders that are rejected as a result of a tendering holder's failure to comply with the provisions of this Offer to Purchase.

If the rejection of a tendering holder's tender occurs after the Expiration Date, a holder of Old Notes that is not eligible to participate in the Cash Offers will not be able to timely participate in the Exchange Offers, subject to the right of Citizens to waive certain conditions of the Exchange Offers. Therefore, if a holder that tenders his or her Old Notes in the Cash Offers shortly prior to the Expiration Date and such holder is not an Eligible Holder, such holder will be required to continue to hold his or her Old Notes and be subject to the risks of a holder of Old Notes. See "Risk Factors."

If you are not an Eligible Holder, you should dispose of this Offer to Purchase. Each Eligible Holder that tenders its outstanding Old Notes will be bound by the Agent's Message (as defined below) and will be agreeing with and making the representations, warranties and agreements as set forth under "—Other Matters."

Determination of the Total Consideration

Upon the terms and subject to the conditions set forth in the Tender Offer Documents, Eligible Holders who (i) validly tender and who do not validly withdraw Old Notes at or prior to the Expiration Date or (ii) deliver a properly completed and duly executed Notice of Guaranteed Delivery and all other required documents at or prior to the Expiration Date and tender their Old Notes at or prior to the Guaranteed Delivery Date, and, in each case, whose Old Notes are accepted for purchase by us, will receive the applicable Total Consideration for each \$1,000 principal amount of Old Notes, which will be payable in cash.

The applicable Total Considerations will be calculated at the applicable Price Determination Date. The Total Consideration for each series of Old Notes will be determined in accordance with standard market practice, as described below, using the applicable Cash Offer Yield, which will be equal to the sum of:

- (i) the Reference Yield, as calculated by the Lead Dealer Manager, that equates to the bid-side price of the Reference U.S. Treasury Security specified on the front cover page of this Offer to Purchase for such series of Old Notes appearing at the Price Determination Date as displayed on the Bloomberg Reference Page (or any other recognized quotation source selected by the Lead Dealer Manager in its sole discretion if such page is not available or manifestly erroneous), *plus*
- (ii) the Fixed Spread specified on the front cover page of this Offer to Purchase for such series of Old Notes.

Accordingly, the Total Consideration payable by us for each \$1,000 principal amount of each series of Old Notes will equal:

- (i) the present value on the Settlement Date of \$1,000 principal amount of such Old Notes due on the maturity date of such Old Notes and all scheduled interest payments on such principal amount of Old Notes to be made from, but excluding, the Settlement Date to, and including, such maturity date, discounted to the Settlement Date in accordance with standard market practice as described by the formula set forth in Annex A to this Offer to Purchase, at a discount rate equal to the applicable Cash Offer Yield, *minus*
- (ii) the Accrued Coupon Payment per \$1,000 principal amount of such Old Notes;

such amount being rounded to the nearest cent per \$1,000 principal amount of such Old Notes.

The Total Consideration has been determined by Citizens in its reasonable discretion to approximate the value of the total exchange prices payable in new Citizens notes and cash in the corresponding Exchange Offers.

We will announce the applicable Total Consideration for each series of Old Notes as soon as practicable after they are determined by the Lead Dealer Manager.

Accrued Interest

In addition to the applicable Total Consideration, Eligible Holders whose Old Notes are accepted for purchase will be paid the applicable Accrued Coupon Payment. Interest will cease to accrue on the Settlement Date for all Old Notes accepted in the Cash Offers, including those tendered through the Guaranteed Delivery Procedures.

Denominations

Old Notes of a given series may be tendered only in principal amounts equal to the Authorized Denomination set forth for such series in the table below. No alternative, conditional or contingent tenders will be accepted. Eligible Holders who tender less than all of their Old Notes must continue to hold Old Notes in the applicable Authorized Denomination set forth in the table below.

CUSIP Number	Title of Security	Authorized Denomination	
		Minimum Authorized Denomination	Integral Multiples
75524RAA7 /			
U7535RAA4	4.150% Subordinated Notes due 2022	\$200,000	\$1,000
174610AL9	3.750% Subordinated Notes due 2024	\$200,000	\$1,000
174610AC9	4.023% Subordinated Notes due 2024	\$200,000	\$1,000
174610AJ4	4.350% Subordinated Notes due 2025	\$ 2,000	\$1,000
174610AK1	4.300% Subordinated Notes due 2025	\$ 2,000	\$1,000

Expiration Date; Extensions

The Expiration Date is 5:00 p.m. (Eastern time) on September 25, 2020, unless extended with respect to a series of Old Notes, in which case the Expiration Date will be such time and date to which the Expiration Date is extended.

Subject to applicable law, Citizens, in its sole discretion, may extend the Expiration Date for any reason, with or without extending the Withdrawal Deadline. To extend the Expiration Date, Citizens will notify the Tender Agent and will make a public announcement thereof before 9:00 a.m. (Eastern time) on the next business day after the previously scheduled Expiration Date. Such announcement will state that Citizens is extending the Expiration Date, as the case may be, for a specified period. During any such extension, all Old Notes previously tendered in an extended Cash Offer will remain subject to such Cash Offer and may be accepted for purchase by us.

Citizens expressly reserves the right, subject to applicable law, to:

- delay accepting any Old Notes, extend any Cash Offer, increase a Maximum Total Consideration Amount in any Cash Offer or, upon failure of a condition to be satisfied or, if waivable, waived prior to the applicable Expiration Date, terminate any Cash Offer and not accept any Old Notes; and
- amend, modify or waive at any time or from time to time the terms of any Cash Offer in any respect, including waiver of any conditions to consummation of any Cash Offer, other than the Exchange Offer Completion Condition;

Subject to the qualifications described above, if Citizens exercises any such right, Citizens will give written notice thereof to the Tender Agent and will make a public announcement thereof as promptly as practicable.

Without limiting the manner in which Citizens may choose to make a public announcement of any extension, amendment or termination of any Cash Offer, Citizens will not be obligated to publish, advertise or otherwise communicate any such public announcement, other than by making a timely press release and in accordance with applicable law.

The minimum period during which a Cash Offer will remain open following material changes in the terms of such Cash Offer or in the information concerning such Cash Offer will depend upon the facts and circumstances of such changes, including the relative significance of the changes. With respect to a change in consideration, any affected Cash Offer will remain open for a minimum of five business days following the date on which notice of such change is first published or sent to Eligible Holders. If the terms of a Cash Offer are amended in a manner determined by Citizens to constitute a material change, Citizens will promptly disclose any such amendment in a manner reasonably calculated to inform Eligible Holders of such amendment, and Citizens will extend such Cash Offer such that such Cash Offer will remain open for a minimum of three business days following the date on which notice of such change is first published or sent to Eligible Holders to allow for adequate dissemination of such change, if such Cash Offer would otherwise expire during such three business-day period.

Settlement Date

Upon the terms and subject to the conditions of the Cash Offers, including, among other things, the Maximum Total Consideration Condition and the Exchange Offer Completion Condition, we will pay the required Total Consideration on the Settlement Date for each Cash Offer. We will not be obligated to pay any cash amounts with respect to a Cash Offer unless such Cash Offer is consummated.

Settlement Date. With regard to each Cash Offer, if, as of the Expiration Date, all conditions to such Cash Offer have been or concurrently are satisfied or waived by us, including satisfaction or waiver of the Maximum Total Consideration Condition and satisfaction of the Exchange Offer Completion Condition, we will accept as soon as reasonably practicable after the Expiration Date all Old Notes validly tendered at or prior to the Expiration Date or the Guaranteed Delivery Date pursuant to the Guaranteed Delivery Procedures and not validly withdrawn as of the Withdrawal Deadline in such Cash Offer and the purchase of Old Notes tendered in such Cash Offer and payment of the required cash amounts, if any, will be made on the Settlement Date. The Settlement Date is expected to be the third business day after the Expiration Date and the first business day after the Guaranteed Delivery Date.

Conditions to the Cash Offers

Notwithstanding any other provision of the Tender Offer Documents, with respect to each Cash Offer, we will not be obligated to (i) accept for purchase any validly tendered Old Notes or (ii) pay any cash amounts or complete such Cash Offer unless each of the following conditions is satisfied or, if waivable, waived at or prior to the Expiration Date:

- (1) there shall not have been any change or development that in our reasonable judgment materially reduces the anticipated benefits to us of such Cash Offer or that has had, or could reasonably be expected to have, a material adverse effect on us, our businesses, condition (financial or otherwise) or prospects;
- (2) there shall not have been instituted or threatened in writing any action, proceeding or investigation by or before any governmental authority, including any court, governmental, regulatory or administrative branch or agency, tribunal or instrumentality, that relates in any manner to such Cash Offer and that in our reasonable judgment makes it advisable for us to terminate such Cash Offer;
- (3) we shall have obtained all governmental approvals and third-party consents that we, in our reasonable judgment, consider necessary for the completion of such Cash Offer as contemplated by this Offer to Purchase and all such approvals or consents shall remain in effect;
- (4) there shall not have occurred:
 - a. any general suspension of or limitation on prices for trading in securities in the United States securities or financial markets;
 - b. any disruption in the trading of our common stock;

- c. a material impairment in the general trading market for debt securities;
 - d. a declaration of a banking moratorium or any suspension of payments with respect to banks in the United States; or
 - e. a commencement or significant worsening of a war or armed hostilities or other national or international calamity, including but not limited to, catastrophic terrorist attacks against the United States or its citizens;
- (5) the Maximum Total Consideration Condition; and
- (6) the Exchange Offer Completion Condition.

Maximum Total Consideration Condition

The Company's obligation to accept and pay for any 4.150% Subordinated Notes due 2022 is conditioned on the aggregate Total Consideration required to be paid for such notes not exceeding \$5,000,000.

The Company's obligation to accept and pay for any 3.750% Subordinated Notes due 2024 is conditioned on the aggregate Total Consideration required to be paid for such notes not exceeding \$5,000,000.

The Company's obligation to accept and pay for any 4.023% Subordinated Notes due 2024 is conditioned on the aggregate Total Consideration required to be paid for such notes not exceeding \$5,000,000.

The Company's obligation to accept and pay for any 4.350% Subordinated Notes due 2025 is conditioned on the aggregate Total Consideration required to be paid for such notes not exceeding \$15,000,000.

The Company's obligation to accept and pay for any 4.300% Subordinated Notes due 2025 is conditioned on the aggregate Total Consideration required to be paid for such notes not exceeding \$30,000,000.

Citizens expressly reserves the right, subject to applicable law, to:

- (i) waive the Maximum Total Consideration Condition with respect to any series of Old Notes by increasing the Maximum Total Consideration Amount in the Cash Offer with respect to such series of Old Notes, and
- (ii) waive the Maximum Total Consideration Condition with respect to one, some or all of the series of Old Notes in respect of which the Maximum Total Consideration Condition is not satisfied.

Accordingly, if Citizens waives the Maximum Total Consideration Condition with respect to one series of Old Notes, it may decide not to waive the Maximum Total Consideration Condition with respect to any other series of Old Notes in respect of which the Maximum Total Consideration Condition is not satisfied.

It is possible that the Maximum Total Consideration Condition for a particular series of Old Notes will not be satisfied or waived, and therefore such series of Old Notes will not be accepted for purchase, even if one or more other series of Old Notes is accepted for purchase. If Old Notes of any series are accepted for purchase pursuant to the Cash Offers, all validly tendered Old Notes of that series will be accepted for purchase. No series of Old Notes will be subject to proration pursuant to the Cash Offers.

Exchange Offer Completion Condition

The Company's obligation to complete any Cash Offer with respect to a particular series of Old Notes is conditioned on the timely satisfaction or waiver of all conditions precedent to the completion of the corresponding Exchange Offer for such series of Old Notes and the Company's obligation to complete any Exchange Offer is

subject to various conditions as set forth in the Offering Memorandum, including that all of the conditions precedent to the completion of the corresponding Cash Offer are timely satisfied or waived.

The conditions described above are for our sole benefit, and we may assert them regardless of the circumstances giving rise to any such condition, including any action or inaction by us, and may be waived by us (other than the Exchange Offer Completion Condition), in whole or in part, at any time and from time to time, in our sole discretion, but subject to applicable law. If any of the foregoing conditions have not been met, we may (but will not be obligated to), at any time at or prior to the Expiration Date, subject to the terms of this Offer to Purchase and applicable law, (a) terminate any Cash Offer, (b) extend any Cash Offer, on the same or amended terms, and thereby delay acceptance of any tendered and not withdrawn Old Notes, or (c) waive the unsatisfied condition or conditions (other than the Exchange Offer Completion Condition) and accept all validly tendered and not validly withdrawn Old Notes.

Subject to applicable law and as elsewhere described in this Offer to Purchase, each Cash Offer may be amended, extended or, upon failure of a condition to be satisfied or waived (other than the Exchange Offer Completion Condition) prior to the applicable Expiration Date, terminated individually.

Our failure at any time to exercise any of such rights will not be deemed a waiver of any other right, and each right will be deemed an ongoing right which may be asserted at any time and from time to time.

Subject to applicable law, we expressly reserve the right, in our sole discretion, to extend or terminate any Cash Offer at any time. If we terminate any Cash Offer, all of the Old Notes tendered and not validly withdrawn pursuant to such terminated Cash Offer will not be accepted for purchase and will be returned promptly to the tendering Eligible Holders thereof in accordance with applicable law at our expense.

The Company will terminate a Cash Offer for a given series of Old Notes if it terminates the Exchange Offer for such series of Old Notes, and it will terminate the Exchange Offer for a given series of Old Notes if it terminates the Cash Offer for such series of Old Notes.

Additional Purchases of Old Notes

After the Expiration Date, Citizens or its affiliates may from time to time purchase additional Old Notes in the open market, in privately negotiated transactions, through tender offers, exchange offers or otherwise, or Citizens may redeem Old Notes pursuant to the terms of the Indenture governing the Old Notes. Any future purchases may be on the same terms or on terms that are more or less favorable to Eligible Holders of Old Notes than the terms of the Cash Offers and, in any such case, could be for cash or other consideration. Any future purchases will depend on various factors existing at that time. Any purchase or offer to purchase will not be made except in accordance with applicable law.

The Dealer Managers or their affiliates may from time to time purchase additional Old Notes in the open market or in privately negotiated transactions.

Procedures for Tendering

The following summarizes the procedures to be followed by all Eligible Holders in tendering their Old Notes.

All of the Old Notes are held in book-entry form and registered in the name of Cede & Co., as the nominee of DTC. Only Eligible Holders are authorized to tender their Old Notes pursuant to the Cash Offers. Therefore, to tender Old Notes that are held through a broker, dealer, commercial bank, trust company or other nominee, a beneficial owner thereof must instruct such nominee to tender the Old Notes on such beneficial owner's behalf according to the procedure described below.

For an Eligible Holder to tender Old Notes validly pursuant to the Cash Offers (other than pursuant to the Guaranteed Delivery Procedures), (1) an Agent's Message, (2) a certification pursuant to the Certification

Instructions Letter (a “*Certification*”) and any other required documents must be received by the Tender Agent at its address set forth on the back cover of this Offer to Purchase at or prior to the applicable Expiration Date and (3) tendered Old Notes must be transferred pursuant to the procedures for book-entry transfer described below and a confirmation of such book-entry transfer must be received by the Tender Agent at or prior to the applicable Expiration Date.

To effectively tender Old Notes, DTC participants should transmit their acceptance through ATOP, for which the Cash Offers will be eligible, and DTC will then edit and verify the acceptance and send an Agent’s Message to the Tender Agent for its acceptance. Delivery of tendered Old Notes must be made to the Tender Agent pursuant to the book-entry delivery procedures set forth below.

Book-Entry Transfer

The Tender Agent will establish an account with respect to the Old Notes at DTC for purposes of the Cash Offers, and any financial institution that is a participant in DTC may make book-entry delivery of the Old Notes by causing DTC to transfer such Old Notes into the Tender Agent’s account in accordance with DTC’s procedures for such transfer. DTC will then send an Agent’s Message to the Tender Agent. The confirmation of a book-entry transfer into the Tender Agent’s account at DTC as described above is referred to herein as a “*Book-Entry Confirmation*.” Delivery of documents to DTC does not constitute delivery to the Tender Agent.

“*Agent’s Message*” means a message transmitted by DTC to, and received by, the Tender Agent and forming a part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment from the participant in DTC described in such Agent’s Message, stating the aggregate principal amount of Old Notes that have been tendered by such participant pursuant to the Cash Offers, that such participant has received the Offer to Purchase and that such participant agrees to be bound by and makes the representations and warranties contained in the terms of the Cash Offers and that Citizens may enforce such agreement against such participant.

The tender by an Eligible Holder pursuant to the procedures set forth herein will constitute an agreement between such Eligible Holder and us in accordance with the terms and subject to the conditions set forth herein and in the other Tender Offer Documents.

By tendering Old Notes pursuant to a Cash Offer, an Eligible Holder will have represented, warranted and agreed that such Eligible Holder is the beneficial owner of, or a duly authorized representative of one or more such beneficial owners of, and has full power and authority to tender, sell, assign and transfer, the Old Notes tendered thereby and that when such Old Notes are accepted for purchase, we will acquire good, indefeasible, marketable and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim or right and that such Eligible Holder will cause such Old Notes to be delivered in accordance with the terms of the relevant Cash Offer. The Eligible Holder by tendering Old Notes will also have agreed to (a) not sell, pledge, hypothecate or otherwise encumber or transfer any Old Notes tendered from the date of such tender and that any such purported sale, pledge, hypothecation or other encumbrance or transfer will be void and of no effect and (b) execute and deliver such further documents and give such further assurances as may be required in connection with such Cash Offer and the transactions contemplated thereby, in each case on and subject to the terms and conditions of such Cash Offer. In addition, by tendering Old Notes an Eligible Holder will also have released us and our affiliates from any and all claims that Eligible Holders may have arising out of or relating to the Old Notes other than claims under the federal securities laws.

Eligible Holders desiring to tender Old Notes pursuant to ATOP must allow sufficient time for completion of the ATOP procedures during normal business hours of DTC. Except as otherwise provided herein, delivery of Old Notes will be made only when the Agent’s Message is actually received by the Tender Agent. No documents should be sent to us or the Dealer Managers. If you are tendering through a nominee, you should check to see whether there is an earlier deadline for instructions with respect to your decision.

Certification Instructions Letter

Eligible Holders are required to deliver a duly completed Certification pursuant to the accompanying certification instructions letter (the “*Certification Instructions Letter*”) to validly tender Old Notes pursuant to the

Cash Offers. The deadline for Eligible Holders to deliver a Certification in order to be eligible to receive the applicable Total Consideration is the applicable Expiration Date. A duly completed Certification should be delivered to the Tender Agent at its address set forth on the back cover of this Offer to Purchase. Brokers, dealers, commercial banks, trust companies or other nominees that hold Old Notes on behalf of beneficial owners are required to deliver Certifications on behalf of beneficial owners. A single Certification may include information of one or more beneficial owners; provided that the information is clearly specified in such Certification or in an accompanying spreadsheet. **If a tender of Old Notes contained in a Certification is rejected by Citizens as a result of an improper or illegal tender or otherwise, the broker, dealer, commercial bank, trust company or other nominee that delivered the Certification to the Tender Agent is required to withdraw such tender of Old Notes. If the broker, dealer, commercial bank, trust company or other nominee fails to withdraw the Old Notes tendered, Citizens reserves the right to reject all tenders of Old Notes specified in the Certification delivered by the broker, dealer, commercial bank, trust company or other nominee.** In the event that Citizens rejects a Certification following the Expiration Date, any tendering holders tendering the Old Notes specified in the Certification will not have any right to participate in the Cash Offers. Citizens will not extend the Cash Offers or the Exchange Offers to accommodate any tenders that are rejected due to Citizens' rejection of a Certification.

Guaranteed Delivery

If an Eligible Holder desires to tender Old Notes pursuant to the Cash Offers and (1) such Eligible Holder cannot comply with the procedure for book-entry transfer by the Expiration Date or (2) such Eligible Holder cannot deliver the other required documents to the Tender Agent by the Expiration Date, such Eligible Holder may effect a tender of Old Notes pursuant to a guaranteed delivery (the "*Guaranteed Delivery Procedures*") if all of the following are complied with:

- such tender is made by or through an Eligible Institution;
- at or prior to the applicable Expiration Date, such Eligible Institution has complied with ATOP's procedures applicable to guaranteed delivery, representing that the Eligible Holder(s) own such Old Notes and guaranteeing that, no later than 5:00 p.m. (Eastern time) on the Guaranteed Delivery Date, a properly transmitted Agent's Message, together with confirmation of book-entry transfer of the Old Notes specified therein pursuant to the procedures set forth under the caption "Procedures for Tendering" will be received by the Tender Agent; and
- no later than 5:00 p.m. (Eastern time) on the Guaranteed Delivery Date, a properly transmitted Agent's Message, together with confirmation of book-entry transfer of the Old Notes specified therein pursuant to the procedures set forth under the caption "Procedures for Tendering," and all other required documents are received by the Tender Agent.

Interest will cease to accrue on the Settlement Date for all Old Notes accepted in the Cash Offers, including those tendered pursuant to the Guaranteed Delivery Procedures.

The Eligible Institution that tenders Old Notes pursuant to the Guaranteed Delivery Procedures must (i) no later than the Expiration Date, comply with ATOP's procedures applicable to guaranteed delivery, and (ii) no later than the Guaranteed Delivery Date, deliver the Agent's Message, together with confirmation of book-entry transfer of the Old Notes specified therein, to the Tender Agent as specified above. **Failure to do so could result in a financial loss to such Eligible Institution.**

If an Eligible Holder is tendering Old Notes through ATOP pursuant to the Guaranteed Delivery Procedures, the Eligible Institution should not complete and deliver the Notice of Guaranteed Delivery, but such Eligible Institution will be bound by the terms of the Cash Offers, including the Notice of Guaranteed Delivery, as if it was executed and delivered by such Eligible Institution. Eligible Holders who hold Old Notes in book-entry form and tender pursuant to the Guaranteed Delivery Procedures should, prior to the Guaranteed Delivery Date, only comply with ATOP's procedures applicable to guaranteed delivery.

Old Notes may be tendered pursuant to the Guaranteed Delivery Procedures only in Authorized Denominations. No alternative, condition or contingent tenders will be accepted.

Other Matters

Subject to, and effective upon, the acceptance of, and the payment of cash with respect to the Old Notes tendered in accordance with the terms and subject to the conditions of the applicable Cash Offer, a tendering Eligible Holder, by submitting or sending an Agent's Message to the Tender Agent in connection with the Tender of Old Notes, will have:

- irrevocably agreed to sell, assign and transfer to or upon our order or our nominees' order, all right, title and interest in and to, and any and all claims in respect of or arising or having arisen as a result of the tendering Eligible Holder's status as a holder of, all Old Notes tendered, such that thereafter it shall have no contractual or other rights or claims in law or equity against us or any fiduciary, trustee, fiscal agent or other person connected with the Old Notes arising under, from or in connection with such Old Notes;
- waived any and all rights with respect to the Old Notes tendered (including, without limitation, any existing or past defaults and their consequences in respect of such Old Notes and the Indenture governing the Old Notes);
- released and discharged us and the trustee of the relevant series of Old Notes from any and all claims (other than claims under the federal securities laws) the tendering Eligible Holder may have, now or in the future, arising out of or related to the Old Notes;
- tendered, including, without limitation, any claims that the tendering Eligible Holder is entitled to receive additional principal or interest payments with respect to the Old Notes tendered (other than as expressly provided in this Offer to Purchase) or to participate in any repurchase, redemption or defeasance of the Old Notes tendered; and
- irrevocably constituted and appointed the Tender Agent the true and lawful agent and attorney-in-fact of such tendering Eligible Holder (with full knowledge that the Tender Agent also acts as our agent) with respect to any tendered Old Notes, with full power of substitution and resubstitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (a) deliver such Old Notes or transfer ownership of such Old Notes on the account books maintained by DTC together with all accompanying evidences of transfer and authenticity, to or upon our order, (b) present such Old Notes for transfer on the register, and (c) receive all benefits or otherwise exercise all rights of beneficial ownership of such Old Notes, all in accordance with the terms of such Cash Offer.
- represented, warranted and agreed that:
 - it is the beneficial owner of, or a duly authorized representative of one or more beneficial owners of, the Old Notes tendered hereby, and it has full power and authority to tender the Old Notes;
 - the Old Notes being tendered were owned as of the date of tender, free and clear of any liens, charges, claims, encumbrances, interests and restrictions of any kind, and Citizens will acquire good, indefeasible and unencumbered title to those Old Notes, free and clear of all liens, charges, claims, encumbrances, interests and restrictions of any kind, when Citizens accepts the same;
 - it will not sell, pledge, hypothecate or otherwise encumber or transfer any Old Notes tendered hereby from the date of this Offer to Purchase, and any purported sale, pledge, hypothecation or other encumbrance or transfer will be void and of no effect;
 - it is neither (1) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act nor (2) a non-U.S. person (as defined in Rule 902 under the Securities Act) located outside of the United States;

- it is tendering Old Notes for its own account or for a discretionary account or accounts on behalf of one or more persons who are Eligible Holders as to which it has been instructed and has the authority to make the statements contained in this Offer to Purchase;
- it will provide any additional information requested by Citizens in connection with confirming its status as an Eligible Holder;
- it is otherwise a person to whom it is lawful to make available this Offer to Purchase or to make the Cash Offers in accordance with applicable laws (including the transfer restrictions set out in this Offer to Purchase);
- it has had access to such financial and other information and has been afforded the opportunity to ask such questions of representatives of Citizens and receive answers thereto, as it deems necessary in connection with its decision to participate in the Cash Offers;
- it acknowledges that Citizens, the Dealer Managers and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of the acknowledgements, representations and warranties made by its submission of this Offer to Purchase, are, at any time prior to the consummation of the Cash Offers, no longer accurate, it shall promptly notify Citizens and the Dealer Managers and, if it is tendering the Old Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account;
- in evaluating the applicable Cash Offer and in making its decision whether to participate in the applicable Cash Offer by the tender of Old Notes, the Eligible Holder has made its own independent appraisal of the matters referred to in this Offer to Purchase and in any related communications;
- the tender of Old Notes shall constitute an undertaking to execute any further documents and give any further assurances that may be required in connection with any of the foregoing, in each case on and subject to the terms and conditions described or referred to in this Offer to Purchase;
- it has observed the laws of all relevant jurisdictions, obtained all requisite governmental, exchange control or other required consents, complied with all requisite formalities and paid any issue, transfer or other taxes or requisite payments due from any of them in each respect in connection with any offer or acceptance in any jurisdiction, and that it and such person or persons have not taken or omitted to take any action in breach of the terms of such Cash Offer or which will or may result in the Company or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with such Cash Offer or the tender of Old Notes in connection therewith; and
- it is not acting on behalf of any person who could not truthfully make the foregoing representations, warranties and undertakings or those set forth in the Agent's Message.

By tendering Old Notes pursuant to a Cash Offer, an Eligible Holder will have agreed that the delivery and surrender of the Old Notes is not effective, and the risk of loss of the Old Notes does not pass to the Tender Agent, until receipt by the Tender Agent of a properly transmitted Agent's Message. All questions as to the form of all documents and the validity (including time of receipt) and acceptance of tenders and withdrawals of Old Notes will be determined by us, in our sole discretion, which determination shall be final and binding.

Notwithstanding any other provision of the Tender Offer Documents, payment of the applicable Total Considerations, and the Accrued Coupon Payment, if any, with respect to the Old Notes tendered for purchase and accepted by us pursuant to the Cash Offers will occur only after timely receipt by the Tender Agent of a Book-Entry

Confirmation with respect to such Old Notes, together with an Agent's Message, a Certification Instructions Letter and any other required documents and any other required documentation. The tender of Old Notes pursuant to the Cash Offers by the procedures set forth above will constitute an agreement between the tendering Eligible Holder and us in accordance with the terms and subject to the conditions of the applicable Cash Offer. The method of delivery of Old Notes, the Agent's Message and all other required documents is at the election and risk of the tendering Eligible Holder. In all cases, sufficient time should be allowed to ensure timely delivery.

Eligible Holders are referred to the Certification Instructions Letter, which is required to accompany all tenders of Old Notes.

Alternative, conditional or contingent tenders will not be considered valid. We reserve the right to reject any or all tenders of Old Notes that are not in proper form or the acceptance of which would, in our opinion, be unlawful. We also reserve the right, subject to applicable law and limitations described elsewhere in this Offer to Purchase, to waive any defects, irregularities or conditions of tender as to particular Old Notes, including any delay in the submission thereof or any instruction with respect thereto. A waiver of any defect or irregularity with respect to the tender of one Old Note shall not constitute a waiver of the same or any other defect or irregularity with respect to the tender of any other Old Note. Our interpretations of the terms and conditions of the Cash Offers will be final and binding on all parties. Any defect or irregularity in connection with tenders of Old Notes must be cured within such time as we determine, unless waived by us. Tenders of Old Notes shall not be deemed to have been made until all defects and irregularities have been waived by us or cured. None of us, the Trustee, the Dealer Managers, the Tender Agent, the Information Agent or any other person will be under any duty to give notice of any defects or irregularities in tenders of Old Notes or will incur any liability to Eligible Holders for failure to give any such notice.

Acceptance of Old Notes

Assuming the conditions to the Cash Offers are satisfied or, if waivable, waived, we will pay the Total Consideration and Accrued Coupon Payment on the Settlement Date for Old Notes that are properly tendered (and not validly withdrawn) and accepted in the Cash Offers.

We reserve the right, in our sole discretion, but subject to applicable law and limitations described elsewhere in this Offer to Purchase, to (a) delay acceptance of Old Notes tendered under any Cash Offer (subject to Rule 14e-1 under the Exchange Act, which requires that we pay the consideration offered or return Old Notes deposited by or on behalf of the Eligible Holders promptly after the termination or withdrawal of the Cash Offer) or (b) terminate any Cash Offer at any time prior to the applicable Expiration Date if the conditions thereto are not satisfied or, if waivable, waived by us.

For purposes of the Cash Offers, we will have accepted for purchase validly tendered Old Notes (or defectively tendered Old Notes with respect to which we have waived such defect) if, as and when we give oral (promptly confirmed in writing) or written notice thereof to the Tender Agent. We will pay any applicable cash amounts by depositing such payment with the Tender Agent or, at the direction of the Tender Agent, with DTC. Subject to the terms and conditions of the Cash Offer, payment of any cash amounts will be made by the Tender Agent on the Settlement Date upon receipt of such notice. The Tender Agent will act as agent for participating Eligible Holders of the Old Notes for the purpose of receiving Old Notes from, and transmitting cash payments to, such Eligible Holders. With respect to tendered Old Notes that are to be returned to Eligible Holders, such Old Notes will be credited to the account maintained at DTC from which such Old Notes were delivered after the expiration or termination of the relevant Cash Offer.

If, for any reason, acceptance for purchase of tendered Old Notes, or delivery of any cash amounts for validly tendered and accepted Old Notes, pursuant to the Cash Offers is delayed, or we are unable to accept tendered Old Notes for purchase or deliver any cash amounts for validly tendered and accepted Old Notes pursuant to the Cash Offers, then the Tender Agent may, nevertheless, on behalf of us, retain the tendered Old Notes, without prejudice to our rights described under “—Expiration Date; Extensions” and “—Conditions to the Cash Offers” above and “—Withdrawal of Tenders” below, but subject to Rule 14e-1 under the Exchange Act, which requires that we pay the consideration offered or return the Old Notes tendered promptly after the termination or withdrawal of the Cash Offers.

If any tendered Old Notes are not accepted for purchase for any reason pursuant to the terms and conditions of a Cash Offer, such Old Notes will be credited to the account maintained at DTC from which such Old Notes were delivered promptly following the Expiration Date or the termination of such Cash Offer.

Eligible Holders of Old Notes tendered and accepted by us pursuant to the Cash Offers will be entitled to accrued and unpaid interest on their Old Notes to, but excluding, the Settlement Date, which interest shall be payable on the Settlement Date. Under no circumstances will any additional interest be payable because of any delay by the Tender Agent or DTC in the transmission of funds to Eligible Holders of accepted Old Notes or otherwise.

Tendering Eligible Holders of Old Notes accepted in the Cash Offers will not be obligated to pay brokerage commissions or fees to us, the Dealer Managers, the Tender Agent or the Information Agent or, except as set forth below, to pay transfer taxes with respect to the tender of their Old Notes.

Compliance with “Short Tendering” Rule

It is a violation of Rule 14e-4 promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act” and, such rule, “Rule 14e-4”), for a person, directly or indirectly, to tender Old Notes for her or his own account unless the person so tendering (a) has a net long position equal to or greater than the aggregate principal amount of the Old Notes being tendered and (b) will cause such Old Notes to be delivered in accordance with the terms of the Cash Offers. Rule 14e-4 provides a similar restriction applicable to the tender or guarantee of a tender on behalf of another person.

A tender of Old Notes in any Cash Offer under any of the procedures described above will constitute a binding agreement between the tendering Eligible Holder and us with respect to such Cash Offer upon the terms and subject to the conditions of such Cash Offer, including the tendering Eligible Holder’s acceptance of the terms and conditions of such Cash Offer, as well as the tendering Eligible Holder’s representation and warranty that (a) such Eligible Holder has a net long position in the Old Notes being tendered pursuant to such Cash Offer within the meaning of Rule 14e-4 and (b) the tender of such Old Notes complies with Rule 14e-4.

Withdrawal of Tenders

Old Notes validly tendered in a Cash Offer for a given series may be validly withdrawn at any time at or prior to the Withdrawal Deadline for such series. Old Notes tendered after the applicable Withdrawal Deadline may not be withdrawn and such tenders will be irrevocable, except in limited circumstances. After the Withdrawal Deadline for a given series, for example, tendered Old Notes of such series may not be validly withdrawn unless we amend or otherwise change the applicable Cash Offer in a manner material to tendering Eligible Holders or are otherwise required by law to permit withdrawal (as determined by us in our reasonable discretion). Under these circumstances, we will allow previously tendered Old Notes to be withdrawn for a period of time following the date that notice of the amendment or other change is first published or given to Eligible Holders that we believe gives Eligible Holders a reasonable opportunity to consider such amendment or other change and implement the withdrawal procedures described below. If a Cash Offer is terminated, Old Notes tendered pursuant to such Cash Offer will be returned promptly to the tendering Eligible Holders.

For a withdrawal of a tender of Old Notes to be effective, a written or facsimile transmission notice of withdrawal must be timely received by the Tender Agent at its address set forth on the back cover page of this Offer to Purchase at or prior to the Withdrawal Deadline, by mail, electronic mail, fax or hand delivery or by a properly transmitted “Request Message” through ATOP. Any such notice of withdrawal must:

- (a) specify the name of the Eligible Holder who tendered the Old Notes to be withdrawn and, if different and the name of the DTC participant whose name appears on the security position as the owner of such Old Notes (or, other than in the case of Old Notes tendered by book-entry transfer, the name of the registered holder of such Old Notes);
- (b) contain the description of the Old Notes to be withdrawn (including the principal amount of the Old Notes to be withdrawn); and

- (c) except in the case of a notice of withdrawal transmitted through ATOP, be signed by such participant in the same manner as the participant's name is listed in the applicable Agent's Message, or be accompanied by evidence satisfactory to us that the person withdrawing the tender has succeeded to the beneficial ownership of such Old Notes.

The signature on a notice of withdrawal must be guaranteed by a recognized participant (a "*Medallion Signature Guarantor*") unless such Old Notes have been tendered for the account of an Eligible Institution (as defined below). If the Old Notes to be withdrawn have been delivered or otherwise identified to the Tender Agent, a signed notice of withdrawal will be effective immediately upon the Tender Agent's receipt of written or facsimile notice of withdrawal. An "Eligible Institution" is one of the following firms or other entities identified in Rule 17Ad-15 under the Exchange Act (as the terms are defined in such Rule 17Ad-15):

- a bank;
- a broker, dealer, municipal securities dealer, municipal securities broker, government securities dealer or government securities broker;
- a credit union;
- a national securities exchange, registered securities association or clearing agency; or
- a savings institution that is a participant in a Securities Transfer Association recognized program.

Withdrawal of tenders of Old Notes may not be rescinded, and any Old Notes properly withdrawn will thereafter not be validly tendered for purposes of the Cash Offers. Withdrawal of Old Notes may only be accomplished in accordance with the foregoing procedures. Old Notes validly withdrawn may thereafter be retendered at any time on or before the applicable Expiration Date by following the procedures described under "— Procedures for Tendering."

We will determine all questions as to the form and validity (including time of receipt) of any notice of withdrawal of a tender, in our sole discretion, which determination shall be final and binding. None of us, the Trustee, the Dealer Managers, the Tender Agent or the Information Agent or any other person will be under any duty to give notification of any defect or irregularity in any notice of withdrawal of a tender or incur any liability for failure to give any such notification.

Transfer Taxes

We will pay all transfer taxes, if any, applicable to the purchase of Old Notes by us in the Cash Offers. If transfer taxes are imposed for any reason other than the transfer and tender to us, the amount of those transfer taxes, whether imposed on the registered holders or any other persons, will be payable by the tendering Eligible Holder. Transfer taxes that will not be paid by us include taxes, if any, imposed:

- if tendered Old Notes are to be registered in the name of any person other than the person on whose behalf an Agent's Message was sent; or
- if any cash payment in respect of a Cash Offer is being made to any person other than the person on whose behalf an Agent's Message was sent.

If satisfactory evidence of payment of or exemption from transfer taxes that are not required to be borne by us is not submitted with the Agent's Message, the amount of those transfer taxes will be billed directly to the tendering Eligible Holder and/or withheld from any payments due with respect to the Old Notes tendered by such Eligible Holder.

Certain Consequences to Eligible Holders of Old Notes Not Tendering in the Cash Offers

Any of the Old Notes that are not tendered to us at or prior to the Expiration Date or the Guaranteed Delivery Date pursuant to the Guaranteed Delivery Procedures or are not accepted for purchase will remain outstanding, will mature on their respective maturity dates and will continue to accrue interest in accordance with, and will otherwise be entitled to all the rights and privileges under, the Indenture governing the Old Notes. The trading markets for Old Notes that are not purchased could become more limited than the existing trading markets for the Old Notes. More limited trading markets might adversely affect the liquidity, market prices and price volatility of the Old Notes. If markets for Old Notes that are not purchased exist or develop, the Old Notes may trade at a discount to the prices at which they would trade if the principal amount outstanding had not been reduced. See “Risk Factors.”

Tender Agent

Global Bondholder Services Corporation has been appointed as the Tender Agent for the Cash Offers. All correspondence in connection with the Cash Offers should be sent or delivered by each Eligible Holder of Old Notes, or a beneficial owner’s custodian bank, depository, broker, trust company or other nominee, to the Tender Agent at the address and telephone numbers set forth on the back cover page of this Offer to Purchase. We will pay the Tender Agent reasonable and customary fees for its services and will reimburse it for its out-of-pocket expenses in connection therewith.

Information Agent

Global Bondholder Services Corporation has also been appointed as the Information Agent for the Cash Offers and will receive reasonable and customary compensation for its services, and we will reimburse it for its out-of-pocket expenses in connection therewith. Questions concerning tender procedures and requests for additional copies of this Offer to Purchase should be directed to the Information Agent at the address and telephone numbers set forth on the back cover page of this Offer to Purchase. Eligible Holders of Old Notes may also contact their custodian bank, depository, broker, trust company or other nominee for assistance concerning the Cash Offers.

Dealer Managers

We have retained Credit Suisse Securities (USA) LLC to act as the Lead Dealer Manager and Citizens Capital Markets, Inc. to act as a Co-Dealer Manager (together, the “*Dealer Managers*”) in connection with the Cash Offers. We will pay the Dealer Managers a reasonable and customary fee for soliciting tenders in the Cash Offers. We will also reimburse the Dealer Managers for its reasonable out-of-pocket expenses. The obligations of the Dealer Managers to perform such function are subject to certain conditions. We have agreed to indemnify the Dealer Managers against certain liabilities, including liabilities under the federal securities laws, in connection with their services. Questions regarding the terms of the Cash Offers may be directed to the Lead Dealer Manager at the address and telephone numbers set forth on the back cover page of this Offer to Purchase.

At any given time, the Dealer Managers or their affiliates may trade Old Notes or other of our securities for their own accounts or for the accounts of their customers and, accordingly, may hold a long or short position in the Old Notes. To the extent the Dealer Managers or their affiliates hold Old Notes during the Cash Offers, they may tender such Old Notes under the Cash Offers.

The Dealer Managers or their affiliates may from time to time purchase additional Old Notes in the open market or in privately negotiated transactions.

The Dealer Managers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Dealer Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative

securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of Citizens or its affiliates. Certain of the Dealer Managers or their affiliates that have a lending relationship with Citizens routinely hedge their credit exposure to Citizens consistent with their customary risk management policies. Typically, such Dealer Managers and their affiliates would hedge such exposure by entering into transactions with consist of either the purchase of credit default swaps or the creation of short positions in Citizens' securities. The Dealer Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

The Dealer Managers for the Cash Offers are also acting as the dealer managers for the Exchange Offers.

Other Fees and Expenses

The expenses of the Cash Offers will be borne by us.

Tendering Eligible Holders of Old Notes will not be required to pay any fee or commission to the Dealer Managers. However, if a tendering Eligible Holder handles the transaction through its broker, dealer, commercial bank, trust company or other institution, such Eligible Holder may be required to pay brokerage fees or commissions.

CERTAIN U.S. FEDERAL TAX CONSEQUENCES

The following discussion summarizes certain U.S. federal income tax consequences of the tender of Old Notes pursuant to the Cash Offers and the failure to tender Old Notes pursuant to the Cash Offers. This discussion addresses only U.S. federal income taxation and does not discuss all of the tax consequences that may be relevant to you in light of your individual circumstances, including, but not limited to, foreign, state or local tax consequences, estate and gift tax consequences, tax consequences arising under the Medicare contribution tax on net investment income, or the alternative minimum tax. This summary is based upon the Internal Revenue Code of 1986, as amended (the “Code”), existing, temporary and proposed Treasury regulations promulgated thereunder, and rulings and administrative and judicial decisions now in effect, all of which are subject to change, possibly on a retroactive basis. This summary applies to you only if you have held your Old Notes as capital assets for United States federal income tax purposes.

This section does not apply to you if you are a member of a class of holders subject to special rules, such as:

- a dealer in securities,
- a trader in securities that elects to use a mark-to-market method of accounting for its securities holdings,
- a bank or other financial institution,
- an insurance company,
- a tax-exempt entity,
- a person that owns Old Notes that are a hedge or that are hedged against interest rate risks,
- a person that owns Old Notes as part of a straddle or conversion transaction for tax purposes,
- a person that sells Old Notes as part of a wash sale for tax purposes,
- a U.S. expatriate,
- a partnership or other pass-through entity or investor of such entity, or
- a U.S. Holder (as defined below) whose functional currency for tax purposes is not the U.S. dollar.

We have not sought and do not plan to seek any ruling from the Internal Revenue Service (the “IRS”) or an opinion from our tax counsel regarding the U.S. federal income tax consequences to a Holder of selling Old Notes pursuant to the Cash Offers or failing to tender Old Notes pursuant to the Cash Offers.

If an entity or arrangement that is treated as a partnership for U.S. federal income tax purposes holds Old Notes, the United States federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the tax treatment of the partnership. Each partner of a partnership holding Old Notes should consult its own tax advisors regarding the United States federal, state, local and foreign tax consequences to them of the Cash Offers.

EACH BENEFICIAL OWNER OF OLD NOTES IS URGED TO CONSULT ITS OWN TAX ADVISOR REGARDING THE SPECIFIC U.S. FEDERAL, STATE, LOCAL AND FOREIGN INCOME AND OTHER TAX CONSEQUENCES OF THE CASH OFFERS.

Tax Consequences for U.S. Holders

For purposes of this summary, a “U.S. Holder” is a beneficial owner of an Old Note that is for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a domestic corporation;
- an estate, the income of which is subject to United States federal income tax regardless of its source; or
- a trust, if a court within the United States can exercise primary supervision over the administration of the trust and one or more U.S. persons has authority to control all substantial decisions of the trust.

If you are not a United States holder, this subsection does not apply to you and you should refer to “Tax Consequences for Non-U.S. Holders” below.

U.S. Holders that Tender—Sale of Old Notes Pursuant to the Cash Offers.

A sale of Old Notes by a U.S. Holder pursuant to the Cash Offers will be a taxable transaction. A tendering U.S. Holder will generally recognize gain or loss, if any, in an amount equal to the difference between (i) the gross amount of the cash paid to such U.S. Holder in respect of its tendered Old Notes, other than amounts received in respect of accrued and unpaid interest, and (ii) the U.S. Holder’s adjusted tax basis in its tendered Old Notes at the time of sale. Accrued and unpaid interest generally will be treated as ordinary interest income to the extent not previously included in income. A U.S. Holder’s adjusted tax basis in an Old Note generally will equal the U.S. Holder’s initial cost for the Old Note, increased by any original issue discount or market discount (to the extent that such original issue discount or market discount was previously included in income by the U.S. Holder) and decreased (but not below zero) by (i) any payments received by the U.S. Holder other than payments of qualified stated interest and (ii) the amount of any bond premium (i.e., in the case of an Old Note purchased by a U.S. Holder at a price that is greater than the principal amount of the Old Note, the difference between such amounts) previously amortized by the U.S. Holder. Except to the extent gain is subject to the market discount rules, as discussed below, any such gain or loss generally will be capital gain or loss and will be long-term capital gain or loss if such U.S. Holder has held such Old Notes for more than one year. Long-term capital gain of a non-corporate U.S. Holder is generally subject to tax at preferential rates. The ability of a U.S. Holder to deduct capital losses is subject to limitations.

Gain recognized by a tendering U.S. Holder will be treated as ordinary income to the extent of any market discount on the Old Notes that has accrued during the period that the tendering U.S. Holder held the Old Notes and that has not previously been included in income by the U.S. Holder. An Old Note generally will be considered to be acquired with market discount if the initial tax basis of the Old Note in the hands of the U.S. Holder immediately subsequent to its acquisition by the U.S. Holder was less than the principal amount of the Old Note by at least 0.25% of its principal amount multiplied by the number of remaining whole years to maturity.

Information Reporting and Backup Withholding.

Information reporting requirements, on IRS Form 1099, generally would apply to the cash paid in exchange for the Old Notes to a non-corporate U.S. Holder or other non-exempt recipient (including amounts received in respect of accrued and unpaid interest). Additionally, backup withholding at a rate of 24% may apply to such payments if the U.S. Holder fails to comply with applicable certification requirements (generally by providing a taxpayer identification number, certifying as to no loss of exemption from backup withholding) or (with respect to accrued interest) is notified by the IRS that it has failed to report all interest and dividends required to be shown on its federal income tax returns. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a U.S. Holder’s United States federal income tax liability, provided the required information is timely furnished to the IRS.

U.S. Holders that Do Not Tender.

A U.S. Holder who does not tender its Old Notes will not recognize gain or loss for United States federal income tax purposes as a result of the Cash Offers.

Tax Consequences for Non-U.S. Holders

For purposes of this summary, a “Non-U.S. Holder” is a beneficial owner of an Old Note that is, for United States federal income tax purposes:

- a nonresident alien individual;
- a foreign corporation; or
- an estate or trust that in either case is not subject to United States federal income tax on a net income basis on income or gain from the Old Notes.

If you are a U.S. Holder, this subsection does not apply to you and you should refer to “Tax Consequences for U.S. Holders” above.

Non-U.S. Holders that Tender—Sale of Old Notes Pursuant to the Cash Offers.

Subject to the discussion below of backup withholding, any gain realized by a Non-U.S. Holder on the receipt of cash (that is not attributable to accrued and unpaid interest, as discussed below) in exchange for the Old Notes generally will not be subject to United States federal income or withholding tax, unless (i) that gain is effectively connected with the conduct of a trade or business in the United States by such Non-U.S. Holder (which gain will generally be subject to U.S. federal income tax as described below under “—Effectively Connected Income”) or (ii) such Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met (in which case, unless an applicable income tax treaty provides otherwise, such Non-U.S. Holder will generally be subject to a flat 30% United States federal income tax on any gain recognized, which may be offset by certain United States source losses).

Accrued Interest. Subject to the discussion below regarding backup withholding and FATCA withholding, the payment of accrued but unpaid interest upon a tender of Old Notes will not be subject to U.S. withholding tax, provided that: (i) the Non-U.S. Holder does not actually or constructively own 10% or more of the total combined voting power of all classes of stock of Citizens that are entitled to vote; (ii) the Non-U.S. Holder is not a “controlled foreign corporation” related to Citizens within the meaning of the Code; and (iii) either (a) the Non-U.S. Holder properly certifies the Non-U.S. Holder’s foreign status on an IRS Form W-8 or other applicable or successor form or (b) a financial institution that holds the Old Notes on behalf of the Non-U.S. Holder certifies to the applicable withholding agent that it has received such certification from the Non-U.S. Holder and provides the applicable withholding agent with a copy thereof.

If a Non-U.S. Holder does not qualify for an exemption from withholding of U.S. federal income tax on accrued interest under the preceding paragraph and the interest is not effectively connected with the Non-U.S. Holder’s conduct of a U.S. trade or business, such interest generally will be subject to withholding of U.S. federal income tax at a rate of 30%, unless such Non-U.S. Holder is able to claim a valid exemption from or reduction of withholding under an applicable income tax treaty.

Effectively Connected Income. If any gain recognized by, or any accrued interest paid to a Non-U.S. Holder is effectively connected with the Non-U.S. Holder’s conduct of a U.S. trade or business, then, although exempt from withholding of U.S. federal income tax (provided the Non-U.S. Holder provides a properly executed IRS Form W-8ECI or other applicable Form W-8), the Non-U.S. Holder generally will be subject to U.S. federal income tax on that gain or accrued interest in the same manner as if the Non-U.S. Holder were a U.S. Holder, unless an applicable treaty provides otherwise. In addition, if the Non-U.S. Holder is a foreign corporation, its effectively connected earnings and profits attributable to such gain or accrued interest (subject to adjustments) may be subject to a branch profits tax at a rate of 30%, or a lower rate provided by an applicable income tax treaty.

Information Reporting and Backup Withholding.

In the case of a Non-U.S. Holder, backup withholding and information reporting will generally not apply to payments (including payments in respect of accrued and unpaid interest) made in respect of a sale of the Old Notes pursuant to the Cash Offers if the Non-U.S. Holder provides the required certification that it is not a U.S. person, or the Non-U.S. Holder otherwise establishes an exemption, provided that the payor or withholding agent does not have actual knowledge that the conditions of any exemption are not satisfied. However, the payment of accrued interest on your Old Notes will generally be reported on IRS Form 1042-S even if the payment is not otherwise subject to information reporting requirements.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a Non-U.S. Holder's United States federal income tax liability, provided the required information is timely furnished to the IRS.

Additional Withholding Requirements under the Foreign Account Tax Compliance Act.

Withholding at a rate of 30%, commonly referred to as "FATCA withholding", will generally be required in certain circumstances on payments of accrued interest upon a tender of Old Notes (other than the 4.150% Subordinated Notes due 2022) held by or through certain financial institutions (including investment funds), unless such institution (i) enters into, and complies with, an agreement with the IRS to report, on an annual basis, information with respect to interests in, and accounts maintained by, the institution that are owned by certain U.S. persons or by certain non-U.S. entities that are wholly or partially owned by U.S. persons and to withhold on certain payments, or (ii) if required under an intergovernmental agreement between the United States and an applicable foreign country, reports such information to its local tax authority, which will exchange such information with the U.S. authorities. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Accordingly, the entity through which the Old Notes are held will affect the determination of whether such withholding is required. Similarly, payments of accrued interest on Old Notes (other than the 4.150% Subordinated Notes due 2022) held by an investor that is a non-financial non-U.S. entity that does not qualify under certain exemptions will generally be subject to FATCA withholding at a rate of 30%, unless such entity either (i) certifies that such entity does not have any "substantial United States owners" or (ii) provides certain information regarding the entity's "substantial United States owners," (generally by providing certain documentation, such as an IRS Form W-8BEN or W-8BEN-E) which will in turn be provided to the U.S. Department of the Treasury. Holders of Old Notes are urged to consult their tax advisors regarding the possible implications of these rules on payments to them pursuant to the Cash Offers.

Non-U.S. Holders that Do Not Tender.

A Non-U.S. Holder who does not tender its Old Notes will not recognize gain or loss for United States federal income tax purposes as a result of the Cash Offers.

NOTICE TO CERTAIN NON-U.S. HOLDERS

No action has been or will be taken in any jurisdiction that would permit the possession, circulation or distribution of this Offer to Purchase or any material relating to us or the Old Notes in any jurisdiction where action for that purpose is required. Accordingly, neither this Offer to Purchase nor any other offering material or advertisements in connection with the Cash Offers may be distributed or published, in or from any such country or jurisdiction, except in compliance with any applicable rules or regulations of any such country or jurisdiction.

The distribution of this Offer to Purchase in certain jurisdictions may be restricted by law. Persons into whose possession this Offer to Purchase comes are required by us, the Dealer Managers, the Information Agent and the Tender Agent to inform themselves about, and to observe, any such restrictions.

This Offer to Purchase does not constitute an offer to buy or sell or a solicitation of an offer to sell or buy Old Notes, as applicable, in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer or solicitation under applicable securities laws or otherwise. The distribution of this document in certain jurisdictions may be restricted by law. In those jurisdictions where the securities, blue sky or other laws require the Cash Offers to be made by a licensed broker or dealer and the Dealer Managers or any of their affiliates is such a licensed broker or dealer in any such jurisdiction, the Cash Offers shall be deemed to be made by the Dealer Managers or such affiliates (as the case may be) on behalf of the Company in such jurisdiction.

Each Eligible Holder participating in the Cash Offers will give certain representations in respect of the jurisdictions referred to above and generally as set out in herein. Any tender of Old Notes pursuant to the Cash Offers from an Eligible Holder that is unable to make these representations will not be accepted. Each of the Company, the Dealer Managers, the Tender Agent and the Information Agent reserves the right, in its absolute discretion, to investigate, in relation to any tender of Old Notes pursuant to the Cash Offers, whether any such representation given by an Eligible Holder is correct and, if such investigation is undertaken and as a result the Company determines (for any reason) that such representation is not correct, such tender shall not be accepted.

For purposes of the Cash Offers, “*Non-U.S. Qualified Offeree*” means:

- (1) in relation to each Member State of the EEA and the UK which has implemented the Prospectus Regulation (each, a “*Relevant Member State*”), with effect from and including the date on which the Prospectus Regulation is implemented in that Relevant Member State:
 - (a) any legal entity which is a qualified investor as defined in Article 2(e) of the Prospectus Regulation; or
 - (b) any other entity in any other circumstances falling within Article 3(2) of the Prospectus Regulation, provided that no such offer of the New Notes shall require the Company or the Dealer Managers to publish a prospectus pursuant to Article 3 of the Prospectus Regulation; or
- (2) any entity outside the U.S. and the EEA or the UK to whom the offers related to the New Notes may be made in compliance with all other applicable laws and regulations of any applicable jurisdiction.

ANNEX A

FORMULA TO CALCULATE TOTAL CONSIDERATION FOR EACH SERIES OF OLD NOTES^{(1) (2)}

YLD	=	The Cash Offer Yield expressed as a decimal number.
CPN	=	The contractual annual rate of interest payable on an Old Note expressed as a decimal number.
N	=	The number of semi-annual interest payments on an Old Note from, but not including, the Settlement Date to, and including, the maturity or par call date, as applicable. Application of the par call date will be in accordance with standard market practice.
S		The number of days from, and including, the semi-annual interest payment date immediately preceding the applicable Settlement Date. The number of days is computed using the 30/360 day-count method.
/	=	Divide. The term immediately to the left of the division symbol is divided by the term immediately to the right of the division symbol before any addition or subtraction operations are performed.
Exp	=	Exponentiate. The term to the left of “exp” is raised to the power indicated by the term to the right of “exp.”
$\sum_{k=1}^N$	=	Summate. The term in the brackets to the right of the summation symbol is separately calculated “N” times (substituting for “k” in that term each whole number between 1 and N inclusive) and the separate calculations are then added together.
Total Consideration	=	The price per each \$1,000 principal amount of the Old Notes being priced (excluding accrued interest).

Formula for Total Consideration for Old Notes:

Total Consideration =

$$\left\{ \frac{\$1,000}{(1 + \text{YLD}/2)\text{exp}(N - S/180)} \right\} + \left\{ \sum_{k=1}^N \left(\frac{\$1,000(\text{CPN}/2)}{(1 + \text{YLD}/2)\text{exp}(k - S/180)} \right) \right\} - \$1,000(\text{CPN}/2)(S/180)$$

- (1) In the case of an Old Note with a par call date, “N” need not be a whole number and the numerator of the “Nth” term of the summate will be multiplied by a ratio, the numerator of which is equal to the number of days from and including the “N-1” interest payment date up to, but not including, the par call date, and the denominator of which is equal to 180.
- (2) For an Old Note with a par call date, if the Total Consideration as determined in accordance with the above is less than \$1,000 per \$1,000 principal amount of Securities, then the Total Consideration will be calculated based on the scheduled maturity date and not the par call date for such series.

Any questions regarding procedures for tendering Notes or requests for additional copies of this Offer to Purchase, the Certification Instructions Letter and the Notice of Guaranteed Delivery and the Certification Instructions Letter should be directed to the Information Agent. Copies of the Offer to Purchase, the Certification Instructions Letter and Notice of Guaranteed Delivery are available for Eligible Holders at the following web address: <http://gbsc-usa.com/Citizens>.

Tender Agent

Global Bondholder Services Corporation

By facsimile:

(For Eligible Institutions only):

(212) 430-3775

Confirmation:

(212) 430-3774

By Mail:
65 Broadway – Suite 404
New York, NY 10006

By Overnight Courier:
65 Broadway – Suite 404
New York, NY 10006

By Hand:
65 Broadway – Suite 404
New York, NY 10006

By E-Mail:
contact@gbsc-usa.com

Information Agent

Global Bondholder Services Corporation

65 Broadway – Suite 404

New York, NY 10006

Attn: Corporation Actions

Toll-free: (866) 470-3800

Banks and brokers: (212) 430-3774

Questions or requests for assistance related to the Cash Offers or for additional copies of this Offer to Purchase may be directed to the Information Agent at its telephone numbers and address listed above.

You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Cash Offers.

Lead Dealer Manager

Credit Suisse

Eleven Madison Avenue

New York, New York 10010

Attn: Liability Management Group

Collect: (212) 325-2476

Toll Free: (800) 820-1653

Co-Dealer Manager

Citizens Capital Markets