



Conditional Approval #1099
June 2014

May 15, 2014

Edward Phillips
Managing Director, Capital Methodologies & Strategy
Citizens Bank, National Association
One Citizens Plaza
Providence, Rhode Island 02903

Re: Application by Citizens Bank, National Association, Providence, Rhode Island to Issue Subordinated Debt

Control #: 2014-NE-Capital&Div-138298

Charter #: 24571

Dear Mr. Phillips:

The Office of the Comptroller of the Currency ("OCC") hereby conditionally approves Citizens Bank, National Association's (Bank's) plans, as outlined in your application of April 21, 2014 and the attestation dated May 5, 2014, to issue \$250 million in subordinated debt qualifying as Tier 2 capital. This conditional approval is granted based on a thorough review of all information available, including the representations and commitments made in the application and by the Bank's representatives.

This subordinated debt approval is subject to the following condition:

- The pricing of the subordinated note must be consistent with the eligibility criteria for a tier 2 capital instrument. Specifically, the conversion of the subordinated note from a fixed-rate instrument to a floating-rate instrument on July 1, 2019 must not result in any increase in the credit spread paid by the Bank.

The condition of this approval is a condition "imposed in writing by the agency in connection with the granting of any application or other request" within the meaning of 12 USC 1818. As such, this condition is enforceable under 12 USC 1818.

Prior to the issuance of the subordinated debt, you must comply with any applicable securities offering disclosure requirements under 12 CFR part 16.

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Please notify the OCC NE District Office within 10 days following issuance of the subordinated debt that you have completed the increase and complied with all requirements of 12 CFR 5.47. In this notification, please include the final pricing of the subordinated debt and an analysis that demonstrates satisfaction of the above condition. The issuance of subordinated debt should be completed within one year of the date of this letter.

This conditional approval and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. Our conditional approval is based on the Bank's representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend or rescind this approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

If you have any questions, please contact Licensing Analyst Wai-Fan Chang at (212) 790-4055. All correspondence regarding this application should reference the control number.

Sincerely,

Steven Maggio

Steven Maggio
Director for District Licensing