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December 22, 2014

Federal Reserve Bank of New York,
33 Liberty Street,
New York, New York 10045.

Attn: Ivan J. Hurwitz
Vice President, Bank Applications

Re: CIT Group Inc. Proposed Acquisition of IMB Holdco LLC –
Response to Request for Additional Information

Ladies and Gentlemen:

On behalf of our clients, CIT Group Inc. and Carbon Merger Sub LLC (together, the “Applicants”), enclosed please find a response, prepared by the Applicants, to the letter, dated December 10, 2014, from the Board of Governors of the Federal Reserve System (the “Board”) requesting additional information with respect to the Applicants’ application, dated August 20, 2014, to the Board in connection with the Applicants’ proposed acquisition of IMB Holdco LLC and certain related transactions.

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If you have any questions with respect to any of the matters discussed in this letter or in the materials included herewith, please feel free to contact me at (212) 558-4998 (salleys@sullcrom.com).

Very truly yours,



Stephen M. Salley

(Enclosures)

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(Federal Reserve Bank of New York)

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(Board of Governors of the Federal Reserve System)

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Commenters Listed on Schedule A

Schedule A

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RESPONSES TO THE REQUEST FOR ADDITIONAL INFORMATION
DATED DECEMBER 10, 2014
FROM THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
IN CONNECTION WITH THE
APPLICATION
TO THE
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
RELATING TO THE PROPOSED ACQUISITION OF
IMB HOLDCO LLC
BY
CIT GROUP INC.
AND
CARBON MERGER SUB LLC

December 22, 2014

Responses to the Request for Additional Information, dated December 10, 2014, from the Board of Governors of the Federal Reserve System¹

- 1. Provide the final version of the document “CIT Bank N.A. Community Reinvestment Act Plan”, the draft of which was included as Annex C to the letter responding to the public comments submitted to the Federal Reserve Bank of New York on October 30, 2014, (the “CITBNA Draft CRA Plan”).**

At this time, the parties are continuing to work to prepare a CRA plan that would be submitted to the CITBNA board of directors for approval following closing of the Transaction. The Applicants will provide that plan in a supplemental submission.

- 2. The CITBNA Draft CRA Plan indicates that CITBNA will broaden its CRA investment portfolio to include more complex investments while maintaining its risk and return tolerances. Describe these investments in detail.**

CITB and OWB are not yet able to provide specific details about the expanded CRA investment portfolio because this will be based, in part, on input from CITBNA’s to-be-formed Community Development Advisory Board following the closing of the Transaction.²

The parties have considered the following types of investments as examples of more complex investments that CITBNA is expected to explore: Social Impact Bonds, equity and debt investments in Community Development Financial Institutions, and Equity Equivalent Investments (EQ2s). CITBNA will complete due diligence and risk and legal assessments with respect to any particular proposed CRA investment to ensure the investment is consistent with CITBNA’s credit and risk standards.

- 3. List any CIT Bank or OneWest Bank consumer or small business products or services that CIT intends to discontinue following the proposed transaction.**

Other than the anticipated sale of OneWest’s reverse mortgage servicing business (Financial Freedom), which was announced prior to the announcement of the proposed Transaction, CIT and OneWest do not intend to discontinue any consumer or small business products or services following the proposed Transaction.

¹ Capitalized terms used but not defined herein shall have the meanings set forth in the Application to the Board of Governors of the Federal Reserve System (the “Board”), dated August 20, 2014, relating to the proposed acquisition of IMB Holdco LLC by CIT Group Inc. and Carbon Merger Sub LLC.

Information included in this response regarding OneWest and OWB was provided to the Applicants by OneWest.

² The Community Development Advisory Board will serve as an advisor to CITBNA on: community development needs; current programs and services in place and/or in development to address these needs; and opportunities for the bank to help satisfy community development needs through investments and community service.

4. To the extent known, describe any measures OneWest Bank takes to prevent prescreening, discouragement, or exclusion of credit applications on a prohibited basis. Include any contemplated changes to those measures after consummation of the proposal.

OneWest has a comprehensive Fair Lending Policy (the “FL Policy”) and Fair Lending Program (the “FL Program”) (both of which are more fully described in the response to Question 5 below) which require compliance, and are designed to ensure OneWest complies, with fair lending laws, including Regulation B and the Fair Housing Act. The FL Policy and FL Program expressly prohibit prescreening, discouragement and exclusion of credit applications on a prohibited basis.

The FL Program is also designed to proactively identify and minimize the risk of fair lending issues. For example, OneWest has a Fair Lending Officer who leads OneWest’s Fair and Responsible Lending Department (“FRLD”) and is organizationally independent from any lending units. The Fair Lending Officer must review and approve any new lending program prior to its submission to the relevant committee at OWB for approval in order to ensure the program does not contain problematic systemic or structural components that may create fair lending issues. The FRLD reviews all marketing materials for compliance with fair lending laws and industry best practices. Additionally, as described in the response to Question 5, the FRLD monitors consumer complaints that might suggest fair lending issues, either on an individual or a systemic basis.

As discussed further in the response to Question 9, OneWest also requires all its employees to complete annual fair lending training (which includes training as to the FL Policy and applicable fair lending laws), and employees must pass a post-training comprehension test.

As discussed further in the response to Question 6, it is expected that CITBNA will continue OneWest’s existing FL Policy and FL Program, supplemented as necessary to address any additional lending activities and/or products of the combined CITBNA.

5. To the extent known, describe the key elements of OneWest Bank’s policies, procedures, and practices to ensure compliance with the fair lending laws as they relate to home mortgage lending as well as to monitor fair lending risk. Include in your response a discussion of any comparative file analysis, self-assessments/audits, second review processes, complaint resolution processes, and fair lending training of which CIT is aware.

OneWest maintains a comprehensive, board-approved FL Policy and FL Program that is designed to ensure compliance with fair lending laws, including by prevent prescreening, discouragement, or exclusion of credit applications on a prohibited basis.

The FL Policy mandates that OneWest make all credit products available on a fair and consistent basis to all applicants regardless of race, ethnicity, color, religion, national origin, sex, marital status, age, disability, receipt of public assistance, familial status, or the exercise of any right under the Consumer Credit Protection Act. The FL Policy defines fair lending expectations and delineates fair lending responsibilities of the (i) board of directors, (ii) management at each business line, (iii) all employees, (iv) OneWest’s Fair Lending Officer and compliance personnel, and (v) internal audit.

While the FL Policy serves as the governance document for OneWest's fair lending compliance, the FL Program outlines how the fair lending compliance mandated by the FL Policy is to be implemented. The FL Program describes how OneWest executes fair lending compliance across a number of topics, such as (i) underwriting standards, (ii) marketing and distribution, (iii) monitoring, (iv) training, (v) complaints management and resolution and (vi) reporting.

OneWest takes fair lending compliance seriously, and self-assessment and monitoring activities undertaken by the FRLD (under the leadership of the Fair Lending Officer) are important aspects of OneWest's FL Program to ensure ongoing compliance and proactive identification of fair lending concerns. Examples of OneWest's existing self-assessment and monitoring activities are discussed below:

Annual Risk Assessments. On an annual basis, the FRLD conducts a detailed risk assessment (the "Risk Assessment") of OWB's consumer lending activities, including mortgage lending, against each key component of fair lending laws and regulatory requirements. The assessment includes an evaluation of the inherent risk of OWB's lending activities, along with an assessment of the quality of the controls and the resulting residual risk. The Risk Assessment informs OWB's approach to minimizing fair lending risks, including by helping OWB to identify areas of higher fair lending risk which are emphasized during focal point testing (described below).

Comparative file reviews. On an annual basis, the FRLD conducts a comparative file review. In the comparative file review, the FRLD evaluates loan files for mortgage applicants in protected classes against loan files for similarly situated applicants who are not in a protected class to detect possible disparate treatment with respect to credit decisions and pricing. To date, OneWest's comparative file reviews have not identified concerns relating to discrimination against applicants in protected classes.

Focal point testing. As determined by the Risk Assessment, the FRLD conducts targeted compliance reviews of OWB's activities that involve higher fair lending compliance risk. For example, OneWest recently conducted a focused review on a mortgage marketing campaign to evaluate disparity in solicitation of majority-minority geographies (OneWest did not identify any concerns as a result of this review). As a result of a focused compliance review, follow-up actions may be required with respect to the business activity, for example, to implement additional measures to reduce fair lending compliance risk proactively and/or to correct any identified concerns.

Complaint monitoring. OneWest maintains an independent complaint management unit. As part of the unit's complaint review, the unit determines whether any complaint involves allegations regarding fair lending issues. Any such identified complaint is flagged for review by the FRLD within OneWest's complaint monitoring system. The FRLD reviews all complaints that involve an allegation of fair lending violations, and the Fair Lending Officer reviews all high-risk fair lending complaints. The complaint review is designed to address both (i) individual complaints, which are tracked to conclusion to ensure a resolution consistent with the FL Policy and applicable fair lending laws and (ii) any trends that suggest any systemic issues so that

OneWest can proactively identify and correct for fair lending concerns before they lead to potential fair lending violations. OneWest's Executive Consumer Complaint Committee meets monthly, and any trends in fair lending complaints are discussed at that meeting, including to determine whether any corrective actions should be implemented.

Internal Audit. OWB's internal audit department also conducts a separate fair lending audit on a periodic basis to test for adherence to policies and procedures.

In addition to self-assessment and monitoring, training is also a critical component of OneWest's fair lending compliance program. As discussed further in the response to Question 9, OneWest requires all of its employees to complete annual fair lending training, which includes training both as to OWB's FL Policy and applicable fair lending laws, and employees must pass a post-training comprehension test.

Specifically with respect to mortgage lending, OneWest also takes steps to ensure compliance with the Equal Credit Opportunity Act and Regulation B. OWB has a formal, detailed policy document that addresses Regulation B compliance. OWB refers to this policy document as the "Regulation B Standard". In addition to the FL Policy, all mortgage guidelines must meet the requirements of the Regulation B Standard. Before submission to the relevant OWB committee for approval, all mortgage guidelines are reviewed for compliance with OWB's policies, including the FL Policy and the Regulation B Standard, by the Fair Lending Officer and OWB's Compliance Department.

In addition to the various protocols and procedures described above, OWB takes an additional step with regard to mortgage declinations. OneWest requires a management-level, second review of all declined mortgages to verify the decline was consistent with bank policies and fair lending laws. Finally, on an annual basis, the independent loan review department also conducts an additional review of the declinations for compliance with OWB's lending guidelines.

6. Clarify whether OneWest Bank's risk-management systems and policies and procedures for assuring compliance with fair lending laws would be implemented at the combined organization. Describe any changes contemplated to these systems, policies, and procedures. Describe any plans to provide oversight of these programs at the combined organization.

It is expected that CITBNA will continue OneWest's existing FL Policy and FL Program; however, the FL Program and related Risk Assessment will be supplemented as necessary to address any additional lending activities and products of the combined CITBNA. In addition, as appropriate, compliance personnel, programs and controls at CIT will be incorporated into CITBNA's compliance procedures to supplement OneWest's existing compliance program, both with respect to fair lending and otherwise.

It is anticipated that the FRLD at CITBNA will report into CITBNA's Chief Compliance Officer.

7. To the extent known, provide information about OneWest Bank's lending activities to minority borrowers in 2012 and 2013, including an analysis of OneWest Bank's originations of:

(i) home purchase and home improvement loans to African Americans in the Los Angeles-Long Beach-Glendale, CA MSA, and

Please see Tables 1 and 2 below.

(ii) conventional home purchase and refinance loans to Asian-American Pacific Islanders in the state of California.

Please see Table 3 and 4 below.

Please include information about how OneWest Bank's lending activities in those geographical areas compare to the population demographics and the lending activities of other banks in those same areas.

As is apparent in the data below,³ historically, OWB has engaged in only limited new mortgage loan originations (e.g., only 81 single-family mortgage purchase originations nationwide in 2012 and 68 in 2013). Indeed, during the years 2012 and 2013 in particular, OWB's primary focus was engaging in loan modification and refinancing efforts in the context of its mortgage servicing operations inherited from IndyMac, which servicing operations OneWest has now largely exited.

OWB's highest priority at the time was to provide relief to existing borrowers who were struggling with repayment of their loans. As described in the Applicants' response, dated October 8, 2014, to the Board's September 24, 2014 request for additional information, OWB was an early adopter of HAMP and worked closely with the FDIC to develop innovative loan modification programs that were the precursors to the U.S. Treasury's HAMP program. During 2012 and 2013, OneWest completed \$7.7 billion of loan modifications in 26,261 unique loan modifications and, since inception of the program, has modified loans to provide for \$730 million of principal forgiveness. Of this population, where race/ethnicity information was reported, 62% were minority borrowers.

During the same period, OneWest also prioritized affordable refinancing alternatives under the Home Affordable Refinance Program. In 2013, OWB provided refinancing alternatives to 9,815 borrowers, of whom (i) on a nationwide basis, 36% were minority borrowers, (ii) in California, 52% were minority borrowers, and (iii) in the Los Angeles Long Beach-Glendale, CA MD, 66% were minority borrowers.⁴

With regard to the first set of data requested (Tables 1 and 2 below), the number of home purchase and home improvement loans originated by OWB in the Los Angeles-Long Beach-Glendale, CA MD, irrespective of race, was very limited: 43 in 2012 and 26 in 2013, for borrowers

³ Data set forth below is derived from HMDA reporting and OWB's internal records.

⁴ Percentages are based on only those borrowers who reported race/ethnicity.

who reported their race/ethnicity. The Applicants respectfully submit that the sample size of the requested data is too small to evaluate appropriately OWB's lending efforts.

Given OWB's focus during the relevant time period on refinancings, the Applicants believe that origination data supplemented with refinancing data (544 refinancings in 2012 and 1,029 in 2013 in the Los Angeles-Long Beach Glendale, CA MD (nationwide figures were 2,991 and 10,583, respectively)) provide a more appropriate basis on which to evaluate OWB's lending efforts. Using this expanded data set (home purchase/home improvement originations + refinancings), OneWest's rate of lending to African Americans was 8.5% for 2013, compared to 4.6% for peers (or 1.8 times the peer group). For 2012 it was also above peers at 4.2% compared to 4.0% for peers.

With regard to the second set of data requested (Table 3 and 4 below), although OneWest was below peers in home purchase + refinancing originations for Asian-Pacific Islander borrowers in California, the most recent 2013 data indicate that for all originations and home purchase + refinancing originations, OneWest was above peers in overall minority origination share (58.9% v. 50.7% for all originations and 48.6% v. 42.6% for home purchase + refinancing originations).

Table 1
African American Origination Volume: OneWest Bank & Peer Lenders
Los Angeles-Long Beach-Glendale, CA Metropolitan Division 2012

African American Population Share: 8.8%
 Minority Population Share: 68.7%

Institution	All Originations					Home Purchase & Improvement Originations				
	Total Originations	African American Originations	Minority Originations	African American Origination Share	Minority Origination Share	Total Originations	African American Originations	Minority Originations	African American Origination Share	Minority Origination Share
ONEWEST BANK, FSB	455	19	158	4.2%	34.7%	43	0	6	0.0%	14.0%
All Peer Lenders	124,762	4,958	61,749	4.0%	49.5%	24,401	849	12,960	3.5%	53.1%

"Peer Lenders" includes all banks with HMDA-reported loan originations in the Los Angeles-Long Beach-Glendale, CA Metropolitan Division, in the indicated year.

The analysis excludes loans with no race/ethnicity information reported.

Table 2
African American Origination Volume: OneWest Bank & Peer Lenders
Los Angeles-Long Beach-Glendale, CA Metropolitan Division 2013

African American Population Share: 8.8%
 Minority Population Share: 68.7%

Institution	All Originations					Home Purchase & Improvement Originations				
	Total Originations	African American Originations	Minority Originations	African American Origination Share	Minority Origination Share	Total Originations	African American Originations	Minority Originations	African American Origination Share	Minority Origination Share
ONEWEST BANK, FSB	846	72	498	8.5%	58.9%	26	0	4	0.0%	15.4%
All Peer Lenders	98,300	4,530	49,881	4.6%	50.7%	24,564	757	12,748	3.1%	51.9%

"Peer Lenders" includes all banks with HMDA-reported loan originations in the Los Angeles-Long Beach-Glendale, CA Metropolitan Division, in the indicated year.

The analysis excludes loans with no race/ethnicity information reported.

Table 3
Asian & Pacific Islander Origination Volume: OneWest Bank & Peer Lenders
California 2012

Asian & Pacific Islander Population Share: 14.2%
 Minority Population Share: 55.6%

Institution	Home Purchase & Refinance Originations				
	Total Originations	Asian-Pacific Islander Originations	Minority Originations	Asian-Pacific Islander Origination Share	Minority Origination Share
ONEWEST BANK, FSB	1,036	105	309	10.1%	29.8%
All Peer Lenders	597,065	144,433	247,866	24.2%	41.5%

"Peer Lenders" includes all banks with HMDA-reported loan originations in California in the indicated year.

The analysis excludes loans with no race/ethnicity information reported.

Table 4
Asian & Pacific Islander Origination Volume: OneWest Bank & Peer Lenders
California 2013

Asian & Pacific Islander Population Share: 14.2%
 Minority Population Share: 55.6%

Institution	Home Purchase & Refinance Originations				
	Total Originations	Asian-Pacific Islander Originations	Minority Originations	Asian-Pacific Islander Origination Share	Minority Origination Share
ONEWEST BANK, FSB	2,645	291	1,285	11.0%	48.6%
All Peer Lenders	453,107	104,440	192,819	23.0%	42.6%

"Peer Lenders" includes all banks with HMDA-reported loan originations in California in the indicated year.

The analysis excludes loans with no race/ethnicity information reported.

8. To the extent known, provide a discussion of outreach and marketing activities conducted by OneWest Bank, particularly to African-American and Asian-American Pacific Islander individuals and majority-minority geographies. If possible, provide MSA-specific information for the Los Angeles-Long Beach-Glendale, CA MSA. Include any contemplated changes to those activities after consummation of the proposal.

OneWest historically has engaged in very limited marketing efforts. To the extent it has engaged in marketing, its recent efforts have been focused primarily on brand marketing, rather than marketing of specific products. This approach is a result of OneWest's experience of having limited success with product-specific campaigns. As noted in the Applicants' October 30, 2014 letter to the Federal Reserve Bank of New York responding to certain commenters, in response to feedback from community groups and commenters, CITBNA will commit to a \$50,000 marketing pilot for advertising in minority-owned publications and media platforms to improve community outreach efforts and to reach an audience who may not be familiar with CITBNA's products and services. This amount may be increased based on successful marketing campaigns but will not be less than \$50,000 on an annual basis for at least three years.

CIT and OneWest also continue outreach with community groups. After meetings with over 50 organizations since CIT/OneWest's September 17, 2014 Community, OneWest has committed a line of credit to the National Asian American Coalition (NAAC) to allow it to acquire bank foreclosure property for rehabilitation to be made available to LMI families, with a special preference for returning veterans. OneWest also provided a grant to West Angeles CDC for a micro loan program to improve the business climate in the LMI community of South Los Angeles.

Furthermore, the Applicants expect that, with the greater financial and personnel resources of the combined institution and with the input of CITBNA's Community Development Advisory Board, CITBNA will have an enhanced ability to engage in community outreach and marketing activities following closing of the Transaction.

9. To the extent known, provide information on the content of OneWest Bank's fair lending training programs, the individuals responsible for administering the programs, the training schedule of classes offered, and the process (if any) of testing employees. Include any contemplated changes to the fair lending training programs after consummation of the proposal.

In conjunction with OWB's human resources department (which is responsible for the administration of training), the FRLD (including the Fair Lending Officer) develops and maintains a fair lending training module that is part of the overall compliance training required of all OWB employees.

Employees are required to complete this web-based training within 30 days of hire and annually thereafter. The training includes comprehension testing with a minimum score of 90% and includes coverage of the following fair lending topics:

- Prohibited bases for lending
- Restrictions on prescreening, discouragement and steering

- Evaluation of applicant income
- Documentation of loan exceptions
- Requirements for second review of denials.

Employees in positions with higher fair lending risk complete a more in-depth version of the fair lending training.

A training program substantially similar to the OneWest program is expected to be implemented by CITBNA after consummation of the proposed Transaction. However, the Applicants expect that the nature and quality of training programs will be enhanced on a going forward basis by virtue of the greater financial and personnel resources of the combined organization.

10. To the extent not previously discussed in the applications, please elaborate on the public benefits that would result from this proposal, including a detailed discussion of any addition or expansion of specific products, services, or other activities.

In recent Board orders evaluating the convenience and needs factor, the Board has reviewed the benefits of a proposed transaction to the merging institutions' customers, and more broadly to the public.⁵ In these recent orders, the Board has stated that it considers all benefits of a proposed transaction⁶ and that such benefits can include "merger-related cost savings, improvements in the quality of existing product offerings, and the availability of products that were not previously available to customers of either bank."⁷ The Applicants believe that the Transaction will produce significant public benefits with respect to each of these and other areas.

First, the Transaction will produce public benefits through CIT's and OneWest's commitment to achieve an "Outstanding" CRA rating at CITBNA. CITBNA's CRA lending and investment are expected to increase as compared to CIT's and OneWest's combined CRA lending and investment activities today. For example:

- CITBNA's small business lending volume in its southern California assessment area is expected to be at least 200% higher than the current small business lending levels of OneWest and CIT in these areas today, based on its small business lending target of \$350 million.
- CITBNA's overall community development lending balance is expected to be at least 30% higher than OneWest's and CIT's combined community development lending balances today, based on its target to maintain a community development lending balance equal to at least 1% of its outstanding deposit balances. The draft CRA plan notes a target for total community development lending balances equal to at least 1% of assessment area deposit balances. CIT

⁵ See FirstMerit Corporation, Board Order No. 2013-3 (March 22, 2013) ("The Board has considered the extent to which the proposal would benefit the customers of FirstMerit Bank, Citizens Bank, or both.") and Cullen/Frost Bankers, Inc., Board Order No. 2014-10 (May 14, 2014) ("In assessing the effects of a proposal on the convenience and needs of the communities to be served, the Board also considers the extent to which the proposal would result in public benefits.").

⁶ "In evaluating the public benefits of a proposal, the Board considers all benefits of the proposed transaction, not just those that benefit specific disadvantaged communities." Board order approving Ameris Bancorp's acquisition of the Prosperity Banking Company (December 6, 2014) (citing FirstMerit Corporation, Board Order No. 2013-3 (March 22, 2013)).

⁷ United Bankshares, Inc., Board Order No. 2013-13 (December 12, 2013).

and OneWest now expect that target to be at least 1% of total outstanding deposit balances, which will be reflected in the updated CRA plan.

- CITBNA's overall community development donations are expected to be 80% higher than OneWest's and CIT's overall community development donations today, based on its target to make \$3 million in annual community development donations in its assessment area.

Additional targets, reflected in CITBNA's draft CRA plan, that will result in public benefits include the following:

- To meet or exceed peer benchmark lending targets for LMI tracts and borrowers;
- To develop a small business loan and technical assistance referral program so that businesses unable to qualify for small business loans from CITBNA can be referred to local CDFIs and other nonprofit providers to assist potential borrowers better prepare themselves to qualify for conventional financing;
- To maintain a single point of contact to work with nonprofit groups representing homeowners seeking to secure loan modifications;
- To seek to have representatives from the Latino, Asian American and Pacific Islander and African-American communities on the CITBNA board of directors within three years from the closing of the Transaction;
- To set a target for percentage of vendor spend with women, minority- and service disabled veteran- owned businesses within 120 days of the closing of the Transaction;
- To reduce the minimum opening balance for OneWest's existing Personal Checking account product from \$100 to \$25; and
- To actively recruit minorities, disabled persons, veterans and unemployed individuals through outreach in targeted job fairs and job boards.

As noted above, CITBNA is also expected to establish a Community Development Advisory Board, which will create a formal open channel for community groups to provide input and support the bank in its community development efforts.

Second, the Applicants do not expect any discontinuation or significant change in products or services offered by either institution⁸ and no branch closures will occur as a result of the Transaction. To the contrary, as discussed in prior submissions, CIT and OneWest have highly complementary products and services, and each of CIT's and OneWest's customers will have access to an expanded suite of products and services that are not currently available from either organization on a standalone basis. For example, OneWest's small business and middle market customers will have access to CIT's wider suite of business financing products. OneWest's current small business lending consists primarily of SBA 504 and 7(a) lending products. OneWest's existing and future micro-, small- and medium-sized business customers will benefit significantly from access to CIT's small-ticket leasing, commercial lending and factoring products (indeed, OneWest currently does not offer factoring or leasing products, the availability of which the Applicants believe would benefit OneWest's current and prospective small business customers). Similarly, CIT's business customers will have access to OneWest's deposit (checking) and cash management services (which are not currently offered by CIT), and CIT's smaller business customers, in particular, will have access to additional products and services from OneWest's lending platform. In addition, it is expected that CITB's

⁸ The Board has previously cited the absence of changes to products or services in its discussion of a transaction's public benefits. See ViewPoint Financial Group, Inc., Board Order No. 2014-20 (December 9, 2014).

existing internet deposit customers will receive access to new online and mobile banking services that are expected to be launched by CITBNA following closing.

Finally, the Transaction will result in a combined institution with a more diversified and lower-cost funding base, and, with its greater resources, an enhanced lending capacity. In addition to funding cost synergies, the Transaction is expected to result in operations efficiencies through consolidation of IT and other systems-related activities. Moreover, the Applicants believe that with these efficiencies and the greater financial strength and stability of the combined institution, the combined institution will be a more effective competitor.

For these reasons, and others cited in the Application and related materials, the Applicants believe that the Transaction will result in significant benefits to CIT's and OneWest's customers and the public and support the Board's consideration of the effect of the Transaction on the convenience and needs of the community.