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**Class Action Lawsuit Filed Against Citizens Bank,  
Alleging Bank Improperly Charges Overdraft Fees, Violating Federal Law, State  
Law, and Its Contract With Customers**

WASHINGTON, D.C., January 25, 2010—A class action lawsuit filed today would require Citizens Bank to refund hundreds of millions of dollars in unlawful overdraft charges—which Citizens Bank often charged even when the customers had enough funds in their accounts to pay for the purchase.

The lawsuit was filed in federal court on behalf of Jessica Duval, of Goffstown, New Hampshire, and other bank customers who were unfairly and illegally charged overdraft fees by Citizens Financial Group Inc. (“CFG”) for charges she made on her ATM/debit card. CFG is the parent company of Citizens Bank and Charter One Bank.

The class action lawsuit alleges that these charges violate federal and state law, as well as the contractual relationship the bank has with its customers. The lawsuit seeks certification of a class action on behalf of Citizens Bank and Charter One Bank customers who were improperly charged overdraft fees or who received insufficient disclosures about such overdraft fees.

“While the federal government has begun to regulate overdraft fees, Citizens Bank and other banks continue to abuse customers and improperly charge overdraft fees. Moreover, customers must be compensated for bank practices that caused hundreds of millions of dollars in improperly charged fees,” said Hassan Zavareei, a partner at the Washington, D.C.-based law firm Tycko & Zavareei LLP, which represents the plaintiff.

“Citizens Bank manipulates the posting of transactions to incur \$37 overdraft fees on accounts, and customers cannot stop the bank from making arbitrary decisions that their accounts have been ‘overdrawn.’ The bank punishes customers and their families with these charges, causing further pain for families already stressed by the poor economic situation,” Zavareei said.

Citizens Financial Group, Inc. (“CFG”) is a \$151 billion commercial bank holding company. It is headquartered in Providence, R.I., and, through its subsidiaries, has more than 1,500 branches and approximately 3,500 ATMs and approximately 22,600 employees. Its two bank subsidiaries are RBS Citizens, N.A. and Citizens Bank of Pennsylvania. They operate a 12-state branch network under the Citizens Bank brand in Connecticut, Delaware, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and Vermont, and the Charter One brand in Illinois, Michigan and Ohio.

The complaint alleges that Citizens Bank/Charter One manipulates debit transaction posting to cause overdraft fees even when there are sufficient funds to pay a certain purchase. Citizens Bank uses several different methods to cause a customer to incur an overdraft fee even when her account has never been overdrafted.

The complaint also alleges that Citizens Bank directly violates the terms of its account agreement by allowing purchases and withdrawals even when a customer has an insufficient balance. For example, one contractual provision states that the bank will not allow withdrawals when there are insufficient funds. In fact, the class action alleges that the bank does allow withdrawals on insufficient funds even at its own ATMs—and it does so without any prior warning to the customer. According to the complaint, the bank does this for the sole purpose of charging its own customers a overdraft charge.

The complaint also alleges that Citizens Bank has not allowed its customers to opt out of “overdraft protection,” as recommended by Federal regulators. The lawsuit is captioned *Duval v. Citizens Financial Group, Inc.* and has been filed in the Northern District of Illinois.

Copies of the complaint may be obtained from Hassan Zavareei at Tycko & Zavareei LLP.

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