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# CIT Group Inc. Political Contributions and Lobbying Policy

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# **1 Political Contributions and Lobbying Policy**

## **1.1 Purpose**

The purpose of this Political Contributions and Lobbying Policy (Policy) is to establish requirements relating to political activity and to provide guidance regarding political activity relating to work responsibilities and affiliation with CIT Group Inc. (CIT or the Group).

## **1.2 Policy Statement**

This Policy establishes that CIT meets all requirements regarding political contributions and lobbying.

## **1.3 Scope**

CIT engages in political dialogue to advance the interests of the company. The Office of the General Counsel and Law Department work closely with all lines of business to manage legislative and political activities in a manner consistent with good corporate governance practices and in compliance with all Legal Requirements.

## **2 Roles and Responsibilities**

### **2.1 Chief Ethics and Compliance Officer**

The Chief Ethics and Compliance Officer is responsible for reviewing and approving requests from employees seeking public office.

### **2.2 Chief Communications Officer**

The Chief Communications Officer is responsible for approving public communications related to political contributions or lobbying related activities.

### **2.3 Office of the General Counsel**

The Office of the General Counsel is responsible for:

- Approving and managing CIT lobbying activities
- Managing and administering activities of any CIT political action committee (PAC)

### **2.4 Law Department**

The Law Department is responsible for interpreting laws and regulations relating to political contributions, lobbying and related activities.

## 3 Policy Requirements

### 3.1 Corporate Political Contributions and Activities

CIT is prohibited by law from making direct or indirect contributions to candidates in any federal and many state elections, including contributions to political parties. Even where legally permitted, CIT does not use any company funds, facilities, or property for any candidate campaign funds, including: candidate campaign committees, political parties, caucuses, or independent expenditure committees (super PACs). The prohibition against using CIT company funds for electioneering activities includes, but is not limited to: *independent expenditures*<sup>1</sup> and payments to groups organized under IRS Sections 501(c)(4), 501(c)(6), or 527, even where permitted by law.

### 3.2 Lobbying

CIT regularly expresses views on public policy to public officials. CIT monitors current legislation, analyzes trends, and supports and promotes the advancement of public policies to benefit the company, customers, communities, and shareholders.

CIT may use on-staff government relations professionals, contract lobbyists, and trade associations to monitor and provide comments on proposed legislation and regulations that may affect how customers can be served. The Office of the General Counsel approves any lobbying activities by employees (on behalf of CIT) or the use of company funds for lobbying. This includes, but is not limited to: comment letters to regulatory agencies, signing trade association letters on behalf of CIT, lobbying fly-ins to Washington, D.C. or state capitals, and panels that discuss the views of CIT on public policy issues.

State and federal laws regulate lobbying activity and reporting requirements. All federal lobbying activities are disclosed under the Lobbying Disclosure Act (LDA), which requires that reports are filed periodically with the United States Congress. CIT's LDA reports are available for review on both the U.S. House of Representatives and U.S. Senate websites.

In addition, a portion of the dues that CIT pays to certain industry trade associations may be used for lobbying efforts to have a voice in legislative matters that have similar effects on many industry participants.

### 3.3 Political Action Committee

CIT's PAC is a non-partisan political committee registered with the U.S. Federal Election Commission (FEC) that provides an opportunity for company employees to participate in the political process. The PAC's FEC filings are publicly available at the [FEC website](#). The PAC is funded entirely through voluntary contributions from eligible CIT employees. The PAC uses these funds to support candidates running for elective office, political parties, and other political action committees that are supportive of CIT's public policy goals. The PAC's contributions are reported to the FEC as well as any state agencies, as required by law. CIT pays the costs of administering, establishing, and soliciting employee contributions to a PAC.

The PAC is administered by the Office of the General Counsel, audited by CIT's internal audit function, and overseen by a PAC Board of Directors. PAC administration and oversight adheres

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<sup>1</sup> An expenditure for a communication expressly advocating the election or defeat of a clearly identified candidate that is not made in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate, a candidate's authorized committee, or their agents, or a political party or agents

to established governance that ensures applicable oversight, consistent funding decisions, and compliance with all campaign finance regulations, including the Federal Election Campaign Act and other applicable federal, state, and local regulations.

### 3.4 Trade Associations

CIT may be active in financial services and other industry trade associations from time to time. These groups provide opportunities for professional development, networking, and providing a forum for discussing important public policy issues; these groups may also advocate for common business interests. Decisions regarding CIT's involvement with trade groups are made by the line of business managers in conjunction with other corporate staff groups. CIT may contribute to trade associations through dues, contributions, fees, event sponsorships, community-related programs, and other business-related activities. Employees do not sign trade association letters, sit on public panels, or attend fly-ins without prior approval from CIT's Chief Regulatory Counsel or General Counsel and the Chief Communications Officer.

### 3.5 Employee involvement in the Political Process

The [Code of Business Conduct](#) encourages CIT employees to participate in civic and political activities outside of normal working hours based on the employee's individual desires and political preferences (e.g., making personal contributions to political candidates or activities) as long as the activities or contributions do not express or imply action on behalf of CIT. Employees do not engage in any political activity in the office or use CIT property for such purposes. Employees are not reimbursed for any campaign contributions made from personal funds. Employees may make personal political contributions as permitted by law and by *pay-to-play* rules.

As a result of federal, state, and local anti-corruption pay-to-play rules and in order to protect CIT's current and future government contracts, board of directors, officers, and applicable employees must obtain pre-clearance from the Law Department before they or their spouses/civil union partners/minor children make political contributions or engage in fundraising activities in certain jurisdictions as specified at the state or local level or with respect to state or local officeholders. As a result, the Law Department should be consulted before such contributions are made so that the potential applicability of the pay-to-play rules on such contributions or fundraising activities can be determined.

Employees seeking appointment or election to public office must be aware of potential conflicts of interest created by such appointments or running for or holding public office, and must take prudent measures to avoid conflicts of interest. Employees accepting any appointment to public office or becoming a candidate for election to public office must obtain prior written approval from CIT's Chief Compliance Officer.

### 3.6 Reporting Practices/Oversight

In addition to the public reporting of various corporate political activities and PAC contributions required by laws and regulations, the following information is disclosed on the CIT website corporate website at [www.cit.com](http://www.cit.com) in the Corporate Governance section:

- CIT PAC's most recent political contributions and expenditures (at least the prior 12 months)
- List of trade associations receiving annual fees and dues from CIT in excess of \$20,000
- Link to CIT's LDA reports.

## Appendix A. Document Administration

### A.1 Related Policies and Procedures

[Code of Business Conduct](#)

### A.2 Related Laws, Regulations, and Regulatory Guidelines

- The Federal Election Campaign Act of 1971, as amended
- Federal Election Commission Regulations
- Internal Revenue Code Section 527
- The Lobbying Disclosure Act of 1995, as amended
- Federal Pay to Play Rules
- State and local campaign finance rules and lobbying laws

### A.3 Related Checklists, Forms, and Documents

None

### A.4 Approval Authority

Any substantive changes to this document must be approved in accordance with the [Policy and Procedure Development and Management Policy](#) with final approval by General Counsel.

### A.5 Document Approval History

Version	Reviewed/Approved By	Date	Summary of Changes	Change Level
4.0	General Counsel	1/10/2018	<ul style="list-style-type: none"><li>• Section 3.2: Updated the frequency of filing the LDA reports from quarterly to periodically.</li><li>• Section 3.5: Added requirement for applicable employees to determine the applicability of the pay-to-play rules on certain contributions or fundraising activities.</li></ul>	1

Version	Reviewed/Approved By	Date	Summary of Changes	Change Level
3.0	General Counsel	03/24/2017	<ul style="list-style-type: none"> <li>Section 2.2: Added role and responsibilities for the Chief Communication Officer.</li> <li>Section 2.3: Replaced Director of Government Relations with Office of General Counsel.</li> <li>Section 3.2: Added examples of lobby activities approved by the General Counsel.</li> <li>Removed sections 3.7 Risk Assessment, 3.8 Testing, 3.9 Training, and 3.10 Record Retention.</li> </ul>	1
2.0	Law Department and Bank CCO	7/11/2016	<ul style="list-style-type: none"> <li>Updated policy names</li> <li>Removed inapplicable procedures</li> </ul>	

Approval history prior to August 3, 2015 (legacy CIT documents only):

Version	Approvals	Summary of Changes
1.0	EMC – 02/02/2015 Board of Directors – 02/19/2015	New document

## A.6 Confidentiality

The confidential nature of this document must be maintained in accordance with the provisions of the [Employee Handbook](#) as well as any third-party agreement governing work performed by non-employees.

## A.7 Exceptions

Requests for exceptions are made in advance in writing to CIT's General Counsel.