



Matt Boss
Head of Consumer Banking

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November 10, 2025

The Honorable Elizabeth Warren
311 Hart Senate Office Building
United States Senate
Washington, D.C. 20510

Dear Senator Warren:

Thank you for your letter of October 28, 2025. Please be assured that Citizens remains committed to offering highly competitive student loan products, including maintaining high underwriting standards, excellent loan servicing and respectful collections practices. Your letter asks about Citizens' practices with respect to its product and portfolio strategy, loan servicing, and defaults and collections. Please find below responses to those areas of inquiry.

Product and Portfolio Strategy

Citizens offers highly competitive rates across its student loan products with a broad range of terms and repayment options. We always advise prospective borrowers to exhaust federal direct subsidized and unsubsidized (formerly known as Stafford) loans available to them given the competitive rates and potential benefits. However, our rates and product features are often highly competitive versus federal PLUS loans, with many borrowers getting better rates than PLUS loans, without an origination fee.

Citizens has not sold any student loans to private equity firms in the past and does not currently have plans to do so. Regardless of our loan funding strategy, Citizens will continue to deploy strong underwriting standards and retain the servicing of all our originated loans as we focus on delivering value and deepening relationships with our customers.

Beyond Student Lending, Citizens is committed to helping consumers make informed choices about the cost of school to help ensure programs are a good financial fit, not just a good academic fit. Our investment in College Raptor, Citizens' college planning platform, allows Citizens to support the earliest stages of decision-making, helping families understand the net price of multiple schools and programs before applications are even submitted. College Raptor is available for free for any consumer and operates independently of our lending activity.

Loan Servicing

Citizens is committed to delivering an exceptional loan servicing experience for private student loan borrowers, ensuring that their needs are met promptly and effectively. We work very closely with our trusted servicing partners, including Firstmark Services, Inc., for our active loan origination private loan program and American Education Servicers (AES) for legacy run-off portfolios, to maintain high standards of customer care.

For borrowers facing temporary financial hardship, we offer forbearance options and loan modification programs designed to ease payment obligations, while those experiencing permanent disability (or death) are supported through comprehensive forgiveness programs. These measures reflect our unwavering commitment to protecting borrowers and partnering with servicers who uphold our expectations for quality and compliance.

Our oversight framework includes robust governance and monitoring processes to ensure that inquiries are addressed quickly and accurately, and that any servicing errors or overcharges are resolved with appropriate restitution. We

continuously share projected loan volumes with our servicers to help them plan for capacity and maintain service levels, including minimizing call wait times.

Citizens is willing to work with the Department of Education and Federal Student Aid should there be an opportunity for the private sector to do more to help students and families attend college in the wake of federal lending program changes. Any material changes to our volumes or programs would be closely coordinated with our servicing partners.

Defaults and Collections

Citizens maintains high standards of underwriting, with all borrowers passing both credit and ability to pay tests. In addition, we will only lend to borrowers that attend federal Title IV eligible schools; we will not lend to borrowers attending for-profit institutions. We never lend more than the school certified amount and, in many circumstances, far less. As a result, we have some of the lowest delinquency and default rates in the industry. As of the first quarter of 2025, our student loan 30+ day delinquency rate was 0.92% and annualized gross charge off rate was 1.34% for loans in repayment.

Comparatively, according to "Enterval Analytics, LLC Private Student Loan Semi Annual Report" the 30+ day delinquencies for the private student loan industry as of Q1 2025 stood at 5.10% and annualized gross charge offs at 2.33% for loans in repayment.¹ In addition, according to data reported by the Federal Reserve of New York in May of 2025 the federal student loan portfolio's delinquency rates were well into double digits.²

Citizens employs a student loan engagement strategy that emphasizes proactive communication, individualized support, and customer-focused solutions, aiming to assist borrowers facing financial hardship throughout the student loan credit life cycle. The approach integrates multiple outreach methods and trained specialists who collaborate with borrowers to understand and address delinquency causes. Key hardship programs, such as forbearance, loan modifications and settlements, provide borrowers with relief and tailored assistance during challenging times. Throughout the process, we prioritize empathy, flexibility, and long-term financial stability, maintaining respectful interactions and offering pathways to resolution.

We appreciate your commitment to helping consumers and we are aligned in this commitment. We believe we have in place a highly competitive lending program with strong underwriting standards, excellent servicing and collections practices, as well as a broad commitment to helping students and their families attend college with confidence. Citizens remains ready to work with the federal government in this goal.

If you have any questions, please do not hesitate to contact Ken Robinson, Head of Government Relations, at (401) 282-5934 or Kenneth.W.Robinson@citizensbank.com.

Regards,



¹ Enterval Analytics LLC. *Private Student Loan Semi-Annual Report: Q1 2025*. Published July 2025

² Daanma, P. by: R., & Fuller, P. by: D. (2025, June 30). *Student loan delinquencies are back, and credit scores take a tumble*. Liberty Street Economics. <https://libertystreeteconomics.newyorkfed.org/2025/05/student-loan-delinquencies-are-back-and-credit-scores-take-a-tumble/>



Chris Ebeling
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December 4, 2025

The Honorable Elizabeth Warren
311 Hart Senate Office Building
United States Senate
Washington, D.C. 20510

Dear Senator Warren:

Thank you for your letter of October 28, 2025, and the subsequent call with your office on November 20, 2025. Your office requested follow-up to our initial written response dated November 10, 2025, on six specific items:

- 1) Changes we plan to make to our private student loan offering in the next two years
- 2) Data quantifying historical and projected student loan borrowers and average loan amounts
- 3) Any additional partners we engage beyond our private student loan portfolio partners Firstmark Services and American Education Servicers (AES)
- 4) Average speed-to-answer (ASA) times for our servicing partners
- 5) List of entities currently responsible for managing debt collections for private student loans originated by Citizens
- 6) Protections Citizens has in place to protect private student loan borrowers who encounter sudden school closures

Please find below responses to those six items requested during the November 20 call:

- 1) We are constantly making improvements to our student loan offering across the application experience, product features, credit policy, and pricing to balance business objectives, risk appetite, consumer preferences and behaviors, and the competitive environment. We will be making changes across each of these areas over the next two years as we would in any two-year period, including working to improve access to those borrowers who previously would have sought a Grad Plus loan, while maintaining our high standard for underwriting and borrower outcomes.
- 2) As of October 31, 2025, our portfolio consists of approximately 280k loans to students in school with an average loan size of \$11k and approximately 165k loans to previous students who refinanced with us with an average refinance loan size of \$33k. With respect to historical and projected annual loans and loan sizes, we view this information to be proprietary and competitively sensitive.
- 3) In addition to Firstmark and AES, Citizens also partners with Navient for the servicing of legacy FFEL program loans, which represent 1% of our loan portfolio and less than 1% of borrowers.
- 4) Across Citizens' three servicing partners, the 12-month trailing average ASA through October 2025 is listed below. All three ASAs are below our 60-second target, with no individual month at any servicer exceeding the 60-second target:
 - a. Firstmark Services: 27 seconds
 - b. American Education Services (AES): 47 seconds
 - c. Navient: 24 seconds

5) In managing debt collections, Citizens is committed to strict compliance with all relevant federal and state consumer protection laws, including those provisions of the Fair Debt Collection Practices Act (FDCPA) that do not technically apply to our operations. We exercise diligent oversight of all third-party service providers, requiring them to uphold the same standards of fairness, accuracy, and respectful treatment that Citizens applies to its own practices. This approach ensures that private student loan borrowers are treated with integrity and respect throughout the collections process.

All our collections are done in-house pre-charge off, and for post-charge off recovery we partner with third parties. With respect to the third-party entities currently responsible for managing debt collections, we consider that information competitively sensitive given the due diligence exercised in vetting and selecting those entities.

6) While we do not have specific protections for borrowers attending schools that experience a sudden closure, we are focused on only lending to borrowers attending schools that are Title IV certified. We do not lend to borrowers attending for-profit institutions. In addition, we will continue to lend to borrowers who continue their education at an alternative (or acquiring) institution, assuming the borrower continues to meet our underwriting criteria.

If you have any questions, please contact Ken Robinson, Head of Government Relations, at (401) 282-5934 or Kenneth.W.Robinson@citizensbank.com.

Regards,

A handwritten signature in black ink, appearing to read "Kenneth W. Robinson".