

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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In re CIT GROUP INC. SECURITIES LITIGATION	:	Master File No. 1:08-cv-06613-BSJ-THK
_____	:	
	:	<u>CLASS ACTION</u>
This Document Relates To:	:	
	:	Referred to Magistrate Judge Katz
ALL ACTIONS.	:	
_____	X	

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

IF YOU PURCHASED OR ACQUIRED CIT GROUP INC. ("CIT") COMMON STOCK BETWEEN DECEMBER 12, 2006 AND MARCH 5, 2008, OR CIT PrZ ("CIT-Z") SECURITIES PURSUANT OR TRACEABLE TO THE OCTOBER 17, 2007 REGISTRATION STATEMENT AND PROSPECTUS, YOU COULD RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT.¹

A federal court authorized this Notice. This is not a solicitation from a lawyer.

PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have. If you are a member of the Settlement Class, your legal rights will be affected whether or not you act.

Securities and Time Period: CIT common stock (CUSIP No. 125581108) purchased or acquired between December 12, 2006 and March 5, 2008, and CIT-Z securities purchased or acquired pursuant or traceable to the October 17, 2007 registration statement and prospectus (CUSIP No. 125581405).

Settlement Fund: \$75,000,000 in cash. Your recovery will depend on the number of shares of CIT common stock purchased or acquired between December 12, 2006 and March 5, 2008, and/or CIT-Z securities purchased or acquired, and the timing of your purchases and any sales. If claims are submitted for 100% of the eligible shares of CIT common stock, the estimated average recovery per share of common stock will be approximately \$0.308 before deduction of Court-approved fees and expenses. If claims are submitted for 100% of the eligible shares of CIT-Z securities, the estimated average recovery per share will be approximately \$0.303 before deduction of Court-approved fees and expenses. The actual amount per share you could receive will depend on a number of factors, which are explained in the Plan of Allocation contained below.

Settlement Class: The Court has conditionally certified a Settlement Class of all purchasers or acquirers of CIT common stock from December 12, 2006 through and including March 5, 2008, and all purchasers of CIT-Z securities pursuant or traceable to the October 17, 2007 registration statement and prospectus, and who were allegedly damaged thereby. Excluded from the Settlement Class are Defendants; members of each Defendant's immediate family; any entity in which any Defendant has or had a controlling interest; directors of CIT; and Defendants' legal representatives, heirs, successors, or assigns of any such excluded party. Also excluded from the Settlement Class are those Persons who timely and validly request exclusion from the Settlement Class pursuant to this Notice.

Reasons for Settlement: The Settlement avoids the costs and risks associated with continued litigation, including the danger of no recovery, and provides a benefit to the Settlement Class now.

If the Case Had Not Settled: The Settlement must be compared to the risk of no recovery after contested motions, trial, and likely appeals. A trial is a risky proposition and the Lead Plaintiff might not have prevailed. The claims in this case involve numerous complex legal and factual issues that would require extensive and costly expert testimony. Among the many key issues about which the two sides do not agree are: (1) whether any of the Defendants violated the securities laws or otherwise engaged in any wrongdoing; (2) whether the statements alleged by the Lead Plaintiff were material, false, misleading or otherwise actionable under the securities laws; (3) whether the various facts alleged by the Lead Plaintiff influenced the trading prices of CIT common stock or CIT-Z securities during the relevant period; (4) the method for determining whether the prices of CIT common stock or CIT-Z securities were artificially inflated during the relevant period; (5) the amount (if any) of such inflation; and (6) the amount of damages (if any) that could be recovered at trial.

Attorneys' Fees and Expenses: Lead Counsel have not received any payment for their work investigating the facts, conducting this litigation, and negotiating the Settlement on behalf of the Lead Plaintiff and the Settlement Class. Lead Counsel will ask the Court for attorneys' fees not to exceed 26.5% of the Settlement Fund and expenses up to \$2,000,000 to be paid from the Settlement Fund. If the above amounts are requested and approved by the Court, the average cost per share of common stock will be approximately \$0.089, making the estimated average recovery per share after fees and expenses \$0.219 if claims are submitted for 100% of the eligible shares of CIT common stock. If the above amounts are approved by the

¹ Any capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings ascribed to them in the Settlement Agreement dated March 13, 2012 (the "Stipulation"), which is available on the website established for the Settlement at www.gilardi.com.

Court, the average cost per share of CIT-Z securities will be approximately \$0.088, making the estimated average recovery per share after fees and expenses \$0.215 if claims are submitted for 100% of the eligible shares of CIT-Z securities.

Deadlines:

Submit Claim: July 5, 2012
Request Exclusion: May 30, 2012
File Objection: May 30, 2012

Court Hearing on Fairness of Settlement: June 13, 2012, at 2:00 p.m.²

More Information: www.gilardi.com

Claims Administrator:
CIT Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040
1-877-254-1527

Lead Counsel:
Rick Nelson
c/o Shareholder Relations
Robbins Geller Rudman
& Dowd LLP
655 West Broadway, Suite 1900
San Diego, CA 92101
Telephone: 619/231-1058

- Your legal rights are affected whether you act or don't act. Read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

SUBMIT A CLAIM

This is the only way to receive a payment. If you are a Settlement Class Member, and do not exclude yourself from the Settlement Class, you will be bound by the Settlement as approved by the Court and you will give up any "Released Claims" (as defined below) that you have against the Defendants and the other "Released Parties" (as defined below).

OBJECT

You may write to the Court if you do not like this Settlement, the Plan of Allocation and/or the request for attorneys' fees and expenses. You may not object unless you are a Settlement Class Member and do not exclude yourself from the Settlement Class.

GO TO A HEARING

Filing a written objection and notice of intention to appear by May 30, 2012 allows you to speak in Court about the fairness of the Settlement, the Plan of Allocation and/or the request for attorneys' fees and expenses. If you submit a written objection, you may (but you do not have to) attend the hearing and speak to the Court about your objection.

DO NOTHING

If you are a member of the Settlement Class and you do not submit a Proof of Claim and Release form by July 5, 2012, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Settlement Class, which means that you give up your right to sue about the claims that are resolved by the Settlement and you will be bound by any judgments or orders entered by the Court in the action.

EXCLUDE YOURSELF

If you exclude yourself from the Settlement Class, you will not be eligible to receive any payment from the Settlement Fund. This is the only option that allows you to participate in another lawsuit against the Defendants or the other Released Parties relating to the Released Claims being released in this case.

- These rights and options — **and the deadlines to exercise them** — are explained in this Notice.
- The Court in charge of this case must decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and, if there are any appeals, after appeals are resolved. Please be patient.

BASIC INFORMATION

1. Why Did I Receive This Notice Package?

You or someone in your family may have purchased or acquired CIT common stock between December 12, 2006 and March 5, 2008 or purchased or acquired CIT-Z securities pursuant or traceable to the October 17, 2007 registration statement and prospectus.

The Court sent you this Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement and after any objections or appeals are resolved, the Claims Administrator appointed by the Court will make the payments that the Settlement allows.

² The Court may change this date to a later date and/or time without further written notice to you. However, any different date or time will be posted on the Claims Administrator's website: www.gilardi.com.

This package explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the Southern District of New York, and the case is known as *In re CIT Group Inc. Securities Litigation*, Master File No. 1:08-cv-06613-BSJ-THK. The institution that sued, Pensioenfonds Horeca & Catering, is called the Lead Plaintiff, and the individuals it sued, Jeffrey M. Peek, Joseph M. Leone, Thomas B. Hallman, William J. Taylor, Gary C. Butler, William M. Freeman, Susan Lyne, Marianne Miller Parrs, Timothy M. Ring, John Ryan, Seymour Steinberg, Peter J. Tobin, and Lois M. Van Deusen, are called the Defendants.

2. What Is This Lawsuit About?

This case was brought as a class action alleging that Defendants made false and misleading statements about CIT's business and financial results between December 12, 2006 and March 5, 2008. Lead Plaintiff alleges that Defendants misled investors about the risks and impairments to CIT's subprime home loan and private (non government guaranteed) student loan portfolio and failed to adequately reserve for the impairments to those loan portfolios in accordance with Generally Accepted Accounting Principles. Lead Plaintiff asserts that as a result of these and other actions, the market price of CIT's common stock was artificially and improperly inflated between December 12, 2006 and March 5, 2008 and that the offering price of CIT-Z securities was improperly inflated. Thus, Lead Plaintiff alleges that Settlement Class Members overpaid for CIT common stock and CIT-Z securities purchased during the relevant time periods. Defendants have vigorously denied and continue to vigorously deny that they did anything wrong.

3. What Has Happened So Far In This Case?

The operative complaint in the Litigation, the Consolidated Complaint for Violations of the Federal Securities Laws (the "Complaint"), was filed July 16, 2009. On September 11, 2009, the Defendants moved to dismiss the Complaint. By Opinion and Order dated June 10, 2010, the Court denied the Defendants' motion to dismiss. Following the Court's ruling on the motion to dismiss, the parties engaged in substantial discovery with respect to the merits of the Litigation, which continued through January 2012 when the Settlement was agreed upon. Merits discovery consisted of the production by CIT and the Defendants of nearly three million pages of documents, including the production of e-mails from approximately sixty custodians, as well as the production of vast amounts of native file data equivalent to millions of pages of additional documents. Lead Plaintiff further served subpoenas on nearly fifty third-parties, resulting in the production of hundreds of thousands of additional pages of documents. In addition, Lead Plaintiff conducted twelve depositions of current and former CIT employees.

On November 19, 2010, Lead Plaintiff moved to certify a class. The parties subsequently engaged in discovery regarding Lead Plaintiff's motion, during which time the Defendants deposed the Lead Plaintiff as well as two additional named plaintiffs in the Litigation. In addition, each of these three plaintiffs collectively produced thousands of pages of trading records and other documents to the Defendants. On September 15, 2011, Lead Plaintiff submitted an amended motion for class certification. On November 18, 2011, Defendants filed their opposition to Lead Plaintiff's motion for class certification. The parties then engaged in discovery of the Defendants' expert on class certification matters, which included a deposition of the expert by Lead Plaintiff as well as document discovery.

In August 2011, the parties to the Litigation commenced mediation efforts under the auspices of the Honorable Daniel Weinstein (Ret.). On August 17 and 18, 2011, Judge Weinstein conducted a two-day mediation session in California. Although this initial mediation effort was not successful, the parties agreed to continue to attempt to work toward a settlement and to meet again for another mediation session in the future. On January 12, 2012, the parties met in New York for another mediation session with Judge Weinstein. In the weeks following, the parties continued to work toward a settlement. On January 25, 2012, the parties agreed on the amount of the Settlement Fund, and proceeded to negotiate a term sheet broadly setting forth the terms of the Settlement, which was executed on February 2, 2012.

4. Why Is This A Class Action?

In a class action, a class representative (in this case the Court-appointed Lead Plaintiff Pensioenfonds Horeca & Catering) sues on behalf of people who have similar claims. Here, all these people are called the Settlement Class or Settlement Class Members. One court resolves the issues for all Settlement Class Members, except for those who timely and validly exclude themselves from the Settlement Class. Judge Barbara S. Jones is presiding over this class action.

5. Why Is There A Settlement?

The Court did not decide in favor of the Lead Plaintiff or Defendants. Instead, both sides agreed to a settlement. That way they avoid the cost and uncertainty of a trial, and eligible Settlement Class Members who submit valid claims will receive compensation. The Lead Plaintiff and its attorneys think the Settlement is best for all Settlement Class Members.

WHO IS IN THE SETTLEMENT

To see if you will receive money from this Settlement, you first have to determine if you are a Settlement Class Member.

6. How Do I Know If I Am Part Of The Settlement?

The Settlement Class includes ***all purchasers or acquirers of CIT publicly-traded common stock during the Settlement Class Period, which is between December 12, 2006 and March 5, 2008, and all purchasers or acquirers of***

CIT-Z securities pursuant or traceable to the October 17, 2007 registration statement and prospectus, and who were allegedly damaged thereby.

7. What Are The Exceptions To Being Included?

You are not a Settlement Class Member if you are a Defendant, a member of a Defendant's immediate family, an entity in which a Defendant has or had a controlling interest, a director of CIT, or a Defendant's legal representative, heir, successor, or assign of any such excluded party. You are also not a Settlement Class Member if you timely and validly request exclusion from the Settlement Class pursuant to this Notice.

If you sold CIT common stock or CIT-Z securities during the Settlement Class Period, that alone does not make you a Settlement Class Member. You are a Settlement Class Member only if you purchased or acquired CIT common stock during the Settlement Class Period or CIT-Z securities pursuant or traceable to the October 17, 2007 registration statement and prospectus.

8. I'm Still Not Sure If I Am Included.

If you are still not sure whether you are included, you can ask for free help. You can call Rick Nelson of Robbins Geller Rudman & Dowd LLP at 619/231-1058 for more information. Or you can fill out and return the claim form described in Question 10, to see if you qualify.

THE SETTLEMENT BENEFITS — WHAT YOU GET

9. What Does The Settlement Provide?

Defendants have agreed to cause to be paid \$75 million in cash. The balance of this fund after payment of Court-approved attorneys' fees and expenses and the costs of claims administration, including the costs of printing and mailing this Notice and the cost of publishing newspaper notice (the "Net Settlement Fund") will be divided among all eligible Settlement Class Members who send in valid claim forms.

10. How Much Will My Payment Be?

Your share of the Net Settlement Fund will depend on the number of valid claim forms that Settlement Class Members send in and the number of shares of CIT common stock or CIT-Z securities you purchased during the relevant period and when you bought and sold them. As discussed above in answer to Question 2, Lead Plaintiff contends that, during the Settlement Class Period, Defendants misrepresented and/or failed to disclose certain important facts about CIT's business. Lead Plaintiff asserts that, as a result, the prices of CIT common stock and CIT-Z securities were "artificially inflated" during the Settlement Class Period and that Settlement Class Members paid more for CIT common stock and/or CIT-Z securities than they would have if the truth were known. The Plan of Allocation described below is based on this damage theory as well as U.S. Supreme Court decisions that limit recovery for certain purchases and sales during the Settlement Class Period.

CIT COMMON STOCK

A. Inflation Loss

For each purchase of CIT common stock during the Settlement Class Period, the Inflation Loss (Gain) for each purchase transaction will be computed (using FIFO matching of purchases to sales) as follows:

(i) ***if sold on or before July 17, 2007***, the last day before the first corrective disclosure that reduced the amount of inflation in CIT's common stock price, the Inflation Loss for purchased shares (matched to such sales) is zero; or

(ii) ***if sold after July 17, 2007 but on or before March 5, 2008***, the Inflation Loss for a purchase transaction equals the number of shares purchased (matched to such sales) multiplied by the difference between the inflation per share on the date of purchase as shown on the chart below and the inflation per share on the date of sale as shown on the chart below; or

(iii) ***if held as of the close of trading on March 5, 2008***, the Inflation Loss equals the number of shares purchased (matched to such held shares) multiplied by the inflation per share on the date of purchase as shown on the chart below.

If the Inflation Loss is greater than zero, then the claimant has an Inflation Loss for that purchase transaction.

If the Inflation Loss is less than zero, then the claimant has an Inflation Gain (negative Inflation Loss) for that purchase transaction.

Net Inflation Loss for CIT common stock for each claimant will be the sum of all Inflation Losses and Inflation Gains (negative Inflation Losses) for all transactions in CIT common stock for that claimant.

If a claimant has a Net Inflation Gain (Total Inflation Gains exceed or are equal to Total Inflation Losses) for the transactions in CIT common stock during the Settlement Class Period, the claimant will not be eligible to receive a distribution from the Net Settlement Fund for such transactions in CIT common stock.

If there is a Net Inflation Loss for a claimant's purchases of CIT common stock, the Claims Administrator will then compute the Trading Loss, as indicated below.

B. Trading Loss

For each purchase of CIT common stock during the Settlement Class Period, the Trading Loss (Gain) for each purchase transaction will be computed (using FIFO matching of purchases to sales) as follows:

(i) **if sold on or before July 17, 2007**, the last day before the first corrective disclosure that reduced the amount of inflation in CIT's common stock price, the Trading Loss for purchased shares (matched to such sales) is zero; or

(ii) **if sold after July 17, 2007 but on or before March 5, 2008**, the Trading Loss equals the number of shares purchased (matched to such sales) multiplied by the difference between the purchase price per share and the sale price per share; or

(iii) **if held as of the close of trading on March 5, 2008**, the Trading Loss equals the number of shares purchased (matched to such held shares) multiplied by the difference between the purchase price per share and the closing price of \$15.86 per share as of March 6, 2008.

If the Trading Loss is greater than zero, then the claimant has a Trading Loss for that purchase transaction.

If the Trading Loss is less than zero, then the claimant has a Trading Gain (negative Trading Loss) for that purchase transaction.

Net Trading Loss (Gain) for CIT common stock for each claimant will be the sum of all Trading Losses and Trading Gains (negative Trading Losses) for all transactions in CIT common stock for that claimant.

If a claimant has a Net Trading Gain (Total Trading Gains exceed or are equal to Total Trading Losses) for the transactions in CIT common stock during the Settlement Class Period, the claimant will not be eligible to receive a distribution from the Net Settlement Fund for such transactions in CIT common stock.

If there is a Net Inflation Loss and a Net Trading Loss for a claimant's purchases of CIT common stock, the Claims Administrator will then compute the Recognized Loss and Recognized Claim, as indicated below.

C. Recognized Loss

If a claimant has a Net Trading Loss and a Net Inflation Loss, the Recognized Loss for transactions in CIT common stock, for each claimant will be the **lesser** of such claimant's: (i) Net Inflation Loss; or (ii) Net Trading Loss.

D. Recognized Claim

The Recognized Claim for a claimant will be based on the claimant's pro-rata share of the Net Settlement Fund. The claimant's Recognized Claim will be calculated by multiplying the Net Settlement Fund by a fraction, the numerator of which is the claimant's Recognized Loss for transactions in CIT common stock and the denominator of which is the aggregate Recognized Losses of **all** claimants for **all** transactions in **all** CIT securities.

Inflation in Prices of CIT Common Stock

<i>Period Start</i>	<i>Period End</i>	<i>Inflation at Time of Purchase or Sale</i>
12/12/2006	12/12/2006	\$3.55
12/13/2006	12/13/2006	\$3.63
12/14/2006	12/14/2006	\$3.70
12/15/2006	12/15/2006	\$3.78
12/18/2006	12/18/2006	\$3.86
12/19/2006	12/19/2006	\$3.94
12/20/2006	12/20/2006	\$4.02
12/21/2006	12/21/2006	\$4.09
12/22/2006	12/22/2006	\$4.17
12/26/2006	12/26/2006	\$4.25
12/27/2006	12/27/2006	\$4.33
12/28/2006	12/28/2006	\$4.41
12/29/2006	12/29/2006	\$4.49
01/03/2007	01/03/2007	\$4.56
01/04/2007	01/04/2007	\$4.64
01/05/2007	01/05/2007	\$4.72
01/08/2007	01/08/2007	\$4.80
01/09/2007	01/09/2007	\$4.88
01/10/2007	01/10/2007	\$4.95
01/11/2007	01/11/2007	\$5.03

<i>Period Start</i>	<i>Period End</i>	<i>Inflation at Time of Purchase or Sale</i>
01/12/2007	01/12/2007	\$5.11
01/16/2007	01/16/2007	\$5.19
01/17/2007	01/17/2007	\$5.27
01/18/2007	01/18/2007	\$5.34
01/19/2007	01/19/2007	\$5.42
01/22/2007	01/22/2007	\$5.50
01/23/2007	01/23/2007	\$5.58
01/24/2007	01/24/2007	\$5.66
01/25/2007	01/25/2007	\$5.74
01/26/2007	01/26/2007	\$5.81
01/29/2007	01/29/2007	\$5.89
01/30/2007	01/30/2007	\$5.97
01/31/2007	01/31/2007	\$6.05
02/01/2007	02/01/2007	\$6.13
02/02/2007	02/02/2007	\$6.20
02/05/2007	02/05/2007	\$6.28
02/06/2007	02/06/2007	\$6.36
02/07/2007	02/07/2007	\$6.44
02/08/2007	02/08/2007	\$6.52
02/09/2007	02/09/2007	\$6.59
02/12/2007	02/12/2007	\$6.67
02/13/2007	02/13/2007	\$6.75
02/14/2007	02/14/2007	\$6.83
02/15/2007	02/15/2007	\$6.91
02/16/2007	02/16/2007	\$6.98
02/20/2007	02/20/2007	\$7.06
02/21/2007	02/21/2007	\$7.14
02/22/2007	02/22/2007	\$7.22
02/23/2007	02/23/2007	\$7.30
02/26/2007	02/26/2007	\$7.38
02/27/2007	02/27/2007	\$7.45
02/28/2007	02/28/2007	\$7.53
03/01/2007	03/01/2007	\$7.61
03/02/2007	03/02/2007	\$7.69
03/05/2007	04/30/2007	\$7.77
05/01/2007	07/17/2007	\$11.28
07/18/2007	10/16/2007	\$5.67
10/17/2007	03/05/2008	\$3.51

CIT-Z Preferred Stock

A. Inflation Loss

For CIT-Z preferred stock purchased in the public offering on October 17, 2007, the Inflation Loss (Gain) will be computed (using FIFO matching of purchases to sales) as follows:

- (i) **if sold on or before March 5, 2008**, the last day before the first corrective disclosure that reduced the amount of inflation in CIT-Z preferred stock price, the Inflation Loss for purchased shares (matched to such sales) is zero; or
- (ii) **if held as of the close of trading on March 5, 2008**, the Inflation Loss equals the number of shares purchased (matched to such held shares) multiplied by the inflation per share of \$2.65.

If the Inflation Loss is greater than zero, then the claimant has an Inflation Loss for that purchase transaction.

If the Inflation Loss is less than zero, then the claimant has an Inflation Gain (negative Inflation Loss) for that purchase transaction.

Net Inflation Loss for CIT-Z preferred stock for each claimant will be the sum of all Inflation Losses and Inflation Gains (negative Inflation Losses) for all transactions in CIT-Z preferred stock for that claimant.

If a claimant has a Net Inflation Gain (Total Inflation Gains exceed or are equal to Total Inflation Losses) for the transactions in CIT-Z preferred stock during the Settlement Class Period, the claimant will not be eligible to receive a distribution from the Net Settlement Fund for such transactions in CIT-Z preferred stock.

If there is a Net Inflation Loss for a claimant's purchases of CIT-Z preferred stock, the Claims Administrator will then compute the Trading Loss, as indicated below.

B. Trading Loss

For each purchase of CIT-Z preferred stock during the Settlement Class Period, the Trading Loss (Gain) for each purchase transaction will be computed (using FIFO matching of purchases to sales) as follows:

- (a) **if sold on or before March 5, 2008**, the last day before the first corrective disclosure that reduced the amount of inflation in CIT-Z preferred stock price, the Trading Loss for purchased shares (matched to such sales) is zero; or
- (b) **if held as of the close of trading on March 5, 2008**, the Trading Loss equals the number of shares purchased (matched to such held shares) multiplied by the difference between the purchase price per share and the closing price of \$13.00 per share as of March 6, 2008.

If the Trading Loss is greater than zero, then the claimant has a Trading Loss for that purchase transaction.

If the Trading Loss is less than zero, then the claimant has a Trading Gain (negative Trading Loss) for that purchase transaction.

Net Trading Loss (Gain) for CIT-Z preferred stock for each claimant will be the sum of all Trading Losses and Trading Gains (negative Trading Losses) for all transactions in CIT-Z preferred stock for that claimant.

If a claimant has a Net Trading Gain (Total Trading Gains exceed or are equal to Total Trading Losses) for the transactions in CIT-Z preferred stock during the Settlement Class Period, the claimant will not be eligible to receive a distribution from the Net Settlement Fund for such transactions in CIT-Z preferred stock.

If there is a Net Inflation Loss and a Net Trading Loss for a claimant's purchases of CIT-Z preferred stock, the Claims Administrator will then compute the Recognized Loss and Recognized Claim, as indicated below.

C. Recognized Loss

For transactions in CIT-Z preferred stock, if a claimant has a Net Trading Loss and a Net Inflation Loss, the Recognized Loss for each claimant will be the lesser of such claimant's: (i) Net Inflation Loss; or (ii) Net Trading Loss.

D. Recognized Claim

The Recognized Claim for a claimant will be based on the claimant's pro-rata share of the Net Settlement Fund. The claimant's Recognized Claim will be calculated by multiplying the Net Settlement Fund by a fraction, the numerator of which is the claimant's Recognized Loss for transactions in CIT-Z preferred stock and the denominator of which is the aggregate Recognized Losses of **all** claimants for **all** transactions in **all** CIT securities.

FIFO Matching: For purposes of claims for a claimant's multiple purchases or sales of a given eligible security, purchases will be matched to sales using "first-in/first-out" (FIFO) inventory method, which matches sales to purchases based on the dates of those transactions. Specifically, when a claim includes a Settlement Class Period sale of an eligible security acquired during the Settlement Class Period, the earliest sale during the Settlement Class Period of a specific eligible security will be matched first against the claimant's opening position on the first day of the Settlement Class Period, if any, for that specific eligible security, and then matched chronologically thereafter against each purchase or acquisition of that specific eligible security during the Settlement Class Period. **Note:** Short sales and purchases to cover short sales (whether they occurred before, during, or after the Settlement Class Period) are not included when calculating Inflation Loss (Gain) or Trading Loss (Gain).

Effect of open-market purchases at price lower than the lowest trading price for the day and open-market sale at price higher than the highest trading price for the day: Inflation Loss and Trading Loss will be reduced dollar-for-dollar to the extent that (i) publicly-traded CIT securities were purchased or acquired at a price below the lowest trading or published price for such publicly traded security on the date during the Settlement Class Period on which the purchase or acquisition was made (e.g., in a private sale or at a discounted price), or (ii) publicly traded CIT securities were sold at a price above the highest trading or published price for such publicly traded security on the date during the Settlement Class Period on which the sale was made.

Treatment of acquisition of an eligible security by means of a gift, inheritance or operation of law: If a claimant acquired an eligible security during the Settlement Class Period by means of a gift, inheritance or operation of law, the effective purchase date for that acquisition will be the original date of purchase – if the original purchase was during the Settlement Class Period – and not the date of transfer, unless the transfer resulted in a taxable event or other change in the cost basis of the eligible security. To the extent that any eligible security that was sold during the Settlement Class Period and was originally purchased prior to or after the end of the Settlement Class Period, and there was no taxable event or change in cost basis at the time of transfer during the Settlement Class Period, Settlement Class Member's Inflation Loss and Trading Loss for that acquisition shall be zero.

Treatment of disposition of an eligible security by means of a gift, inheritance or operation of law: If a claimant disposed of an eligible security during the Settlement Class Period by means of a gift, inheritance or operation of law, the effective sale date for that disposition will be the date of sale by the transferee – if the date of sale by the transferee was during the Settlement Class Period – and not the date of transfer, unless the transfer resulted in a taxable event or other change in the cost basis of the eligible security. To the extent that any eligible security that was purchased during the Settlement Class Period and was disposed of by means of a gift, inheritance or operation of law during the Settlement Class Period, and there was no taxable event or change in cost basis at the time of transfer during the Settlement Class Period, a Settlement Class Member's Inflation Loss and Trading Loss for that disposition shall be zero.

The date of purchase or sale is the "contract" or "trade" date as distinguished from the "settlement" date.

A Settlement Class Member will be eligible to receive a distribution from the Net Settlement Fund only if a Settlement Class Member is entitled to receive a payment of at least \$10.00.

HOW YOU OBTAIN A PAYMENT — SUBMITTING A CLAIM FORM

11. How Will I Obtain a Payment?

To qualify for payment, you must be an eligible Settlement Class Member, send in a timely and valid claim form, and properly document your claim as requested in the claim form. A claim form is enclosed with this Notice. Read the instructions carefully, fill out the form, include all the documents the form asks for, sign it, and mail it in the enclosed envelope postmarked no later than July 5, 2012.

12. When Will I Receive My Payment?

The Court will hold a hearing on June 13, 2012, at 2:00 p.m., to decide whether to approve the Settlement. If Judge Jones approves the Settlement, there may be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps several years. Everyone who sends in a claim form will be informed of the determination with respect to their claim. Please be patient.

13. What Am I Giving Up To Receive A Payment Or Stay In The Settlement Class?

Unless you timely and validly exclude yourself, you are a Member of the Settlement Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against the Defendants or any of the Released Parties about the Released Claims in this case. It also means that all of the Court's orders, including a judgment ("Judgment") dismissing the Litigation with prejudice on the merits will apply to you and legally bind you and you will release all Released Claims in this case against the Defendants and any other Released Parties.

"Released Claims" mean any and all claims (including Unknown Claims), rights, demands, liabilities or causes of action of every nature and description whatsoever (including, but not limited to, any claims for damages, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses, or liabilities whatsoever), to the fullest extent that the law permits their release in this action, by or on behalf of Lead Plaintiff, Road Carriers Local 707 Pension Fund, Donato Pizzuti or any other Settlement Class Members against any of the Released Parties that have been alleged or could have been alleged in this action (or in any forum or proceeding or otherwise), whether based on federal, state, local, statutory, or common law or any other law, rule, or regulation, whether known claims or Unknown Claims, whether class, representative, or individual in nature, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, whether at law or in equity, matured or unmatured, that are based on, relate to, or arise out of (i) the allegations, transactions, facts, matters, events, disclosures, statements, occurrences, circumstances, representations, conduct, acts, or omissions or failures to act that have been or could have been alleged or asserted in this action (or in any forum or proceeding or otherwise), and (ii) Lead Plaintiff's, Road Carriers Local 707 Pension Fund's, Donato Pizzuti's or any other Settlement Class Member's purchase, acquisition, holding, or sale or other disposition of (x) CIT common stock during the Settlement Class Period or (y) CIT-Z securities issued pursuant or traceable to the October 17, 2007 registration statement and prospectus. Released Claims do not release or otherwise impact any claims to enforce the terms of the Stipulation.

“Unknown Claims” mean collectively any Released Claims that the Lead Plaintiff or any Settlement Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties which, if known by him, her or it, might have affected such Settlement Class Member’s settlement or decisions with respect to the Settlement, including, but not limited to, the release of the Released Parties or the decision not to object to or opt out of this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiff and the Defendants shall expressly waive, and each of the Settlement Class Members shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights, and benefits conferred by the law of any state or territory or other jurisdiction or principle of common law or foreign law that is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Lead Plaintiff and Settlement Class Members may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Lead Plaintiff shall expressly fully, finally, and forever settle and release, and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiff and the Defendants acknowledge, and the Settlement Class Members shall be deemed by operation of law (including by operation of the Judgment) to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement.

“Released Parties” means each and all of the Defendants, CIT, and each and all of their respective Related Parties.

“Related Parties” means each of a Defendant’s or CIT’s past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, principals, controlling shareholders, members, agents, administrators, attorneys, accountants, auditors, bankers, underwriters, investment advisors, personal or legal representatives, predecessors, successors, direct and/or indirect parents, subsidiaries, divisions, joint ventures, affiliates, assigns, spouses, heirs, estates, related or affiliated entities, any entity in which CIT or a Defendant has a controlling interest, any member of a Defendant’s immediate family, any trust of which a Defendant or CIT is the settlor or which is for the benefit of CIT or a Defendant and/or any member of a Defendant’s immediate family, and any entity in which a Defendant and/or any member of a Defendant’s immediate family has or have a controlling interest (directly or indirectly).

The Judgment will also provide that upon the Effective Date, without any further action by anyone, the Lead Plaintiff and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, compromised, settled, resolved, waived, discharged, and dismissed on the merits with prejudice all Released Claims against the Released Parties, whether or not such Settlement Class Member executes and delivers a Proof of Claim form. It is an important element of the Defendants’ participation in the Settlement, which Lead Plaintiff has acknowledged, that the Released Parties obtain the fullest possible legally enforceable release from further liability to any Settlement Class Member relating to the Released Claims, and it is the intention of the Settling Parties that all further liability of the Defendants, CIT and each of their Related Parties relating to the Released Claims hereby be eliminated. These releases and waivers were separately bargained for and are essential elements of the Settlement.

Moreover, upon the Effective Date, the Lead Plaintiff and all Settlement Class Members and anyone claiming through or on behalf of any of them, will be forever barred and enjoined from commencing, instituting, or continuing to prosecute any action or proceeding in any court of law or equity, arbitration tribunal, administrative forum, or other forum of any kind, asserting any of the Released Claims against any of the Released Parties, and each of them.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this Settlement, but you want to keep the right to sue or continue to sue the Defendants or any Released Parties on your own for the Released Claims in this case, then you must take steps to get out of the Settlement Class. This is called excluding yourself or is sometimes referred to as opting out of the Settlement Class.

14. How Do I Get Out Of The Settlement Class?

To exclude yourself from the Settlement Class you must send a letter by mail stating that you want to be excluded from *In re CIT Group Inc. Securities Litigation*, Master File No. 1:08-cv-06613-BSJ-THK. You must include your name, address, telephone number, your signature, and the number of shares of CIT common stock you purchased or acquired between December 12, 2006 and March 5, 2008, the number of shares of CIT-Z securities purchased or acquired pursuant or traceable to the October 17, 2007 registration statement and prospectus, the dates of your purchases, the purchase price, and the dates and sale price of any sales. You must mail your exclusion request postmarked no later than May 30, 2012, to:

CIT Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

You cannot exclude yourself on the phone or by e-mail. If you properly ask to be excluded, you are not eligible to receive any settlement payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit.

15. If I Do Not Exclude Myself, Can I Sue The Defendants For The Same Thing Later?

No. Unless you timely and validly exclude yourself, you give up any right to sue the Defendants and certain other Released Parties for the Released Claims in this Settlement. If you have a pending lawsuit against any of these parties, including the Defendants, speak to your lawyer in that case immediately. Remember, the exclusion deadline is May 30, 2012.

16. If I Exclude Myself, Can I Receive Money From This Settlement?

No. If you exclude yourself, do not send in a claim form. But, you may be able to sue, continue to sue, or be part of a different lawsuit involving the Released Claims against the Defendants.

THE LAWYERS REPRESENTING YOU

17. Do I Have A Lawyer In This Case?

The Court appointed the law firm of Robbins Geller Rudman & Dowd LLP to represent you and other Settlement Class Members. These lawyers are called Lead Counsel. You will not be directly charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

18. How Will The Lawyers Be Paid?

Lead Counsel will ask the Court for attorneys' fees not to exceed 26.5% of the Settlement Fund and for expenses up to \$2,000,000, plus interest that is incurred. In addition, the plaintiffs may seek in the aggregate, reimbursement of \$70,000 for their representation of the Settlement Class. Such sums as may be approved by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested will be the only payment to Lead Counsel for their efforts in achieving this Settlement and for their risk in undertaking this representation on a wholly contingent basis. Lead Counsel have committed a substantial amount of time and very significant expenses in litigating this case for the benefit of the Settlement Class. To date, Lead Counsel have not been paid for their services in conducting this litigation on behalf of the Lead Plaintiff and the Settlement Class, nor for their substantial expenses. The fees requested will compensate Lead Counsel for their work in achieving the Settlement Fund. The Court will decide what is a reasonable fee award and may award less than the amount requested by Lead Counsel.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or some part of it.

19. How Do I Tell The Court That I Do Not Like The Settlement?

If you are a Settlement Class Member, you can object to the Settlement if you do not like any part of it, including the Plan of Allocation and the request for attorneys' fees or expenses. You can state the reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter saying that you object to the Settlement in *In re CIT Group Inc. Securities Litigation*, Master File No. 1:08-cv-06613-BSJ-THK. You must include your name, address, telephone number, your signature, the number of shares of CIT common stock you purchased, acquired, and sold between December 12, 2006 and March 5, 2008, the number of shares of CIT-Z securities purchased or acquired pursuant or traceable to the October 17, 2007 registration statement and prospectus, the number of any shares sold, the dates of purchases and of any sales, and the reasons you object. Any objection **must** be mailed or delivered such that it is received by **each** of the following no later than May 30, 2012:

Court:

Clerk of the Court
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
500 Pearl Street
New York, NY 10007-1312

Counsel for Lead Plaintiff:

Joy Ann Bull
ROBBINS GELLER RUDMAN & DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101

Counsel for Defendants:

Douglas H. Flaum
Israel David
FRIED, FRANK, HARRIS,
SHRIVER & JACOBSON LLP
One New York Plaza
New York, NY 10004

Unless the Court orders otherwise, any Settlement Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to any aspect of the proposed Settlement, the proposed Plan of Allocation or Lead Counsel's request for an award of attorneys' fees and expenses. Settlement Class Members do not need to appear at the fairness hearing or take any other action to indicate their approval.

20. What's The Difference Between Objecting And Excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object **only if** you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you do not have to.

21. When And Where Will The Court Decide Whether To Approve The Settlement?

The Court will hold a fairness hearing at 2:00 p.m., on June 13, 2012, at the Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, Courtroom 17C, New York, NY. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate.³ The Court may move the date or time of the fairness hearing to a later date and/or time without further written notice to you. If the date or time of the fairness hearing is changed the new date and/or time will be posted at www.gilardi.com. If there are objections, the Court will consider them. Judge Jones will listen to people who have asked to speak at the hearing. The Court may decide these issues at the hearing or take them under consideration. We do not know how long these decisions will take.

22. Do I Have To Come To The Hearing?

No. Lead Counsel will answer any questions Judge Jones may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you submitted your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

23. May I Speak At The Hearing?

You may ask the Court for permission to speak at the fairness hearing. To do so, you must send a letter saying that it is your intention to appear in *In re CIT Group Inc. Securities Litigation*, Master File No. 1:08-cv-06613-BSJ-THK. You must include your name, address, telephone number, your signature, and the number of shares of CIT common stock purchased or acquired between December 12, 2006 and March 5, 2008 and/or the number of shares of CIT-Z securities purchased or acquired pursuant or traceable to the October 17, 2007 registration statement and prospectus. Your notice of intention to appear must be received no later than May 30, 2012, by the Clerk of the Court, Lead Counsel, and Defendants' counsel, at the three addresses listed in Question 19. If you intend to present evidence or witnesses, you must disclose that information and explain it in your letter. You cannot speak at the hearing if you exclude yourself from the Settlement Class.

IF YOU DO NOTHING

24. What Happens If I Do Nothing At All?

If you do nothing, you will be a Settlement Class Member. However, you will not receive any money from this Settlement unless you submit a claim form. Unless you exclude yourself, you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants or any Released Parties about the Released Claims.

GETTING MORE INFORMATION

25. Are There More Details About The Settlement?

This Notice summarizes the proposed Settlement. More details are in the Stipulation dated as of March 13, 2012. You can obtain a copy of the Stipulation by going to www.gilardi.com, or by writing to Rick Nelson, c/o Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, or from the Clerk's office at the

³ The papers in support of approval of the Settlement, the Plan of Allocation, and Lead Counsel's fee and expense application will be submitted to the Court no later than May 16, 2012.

United States District Court for the Southern District of New York, 500 Pearl Street, New York, New York during regular business hours.

26. How Do I Get More Information?

You can call 619/231-1058 or write to Rick Nelson, c/o Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, or visit the following website: www.gilardi.com.

PLEASE DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE

SPECIAL NOTICE TO BANKS, BROKERS, AND OTHER NOMINEES

The Court has ordered that if you held any CIT common stock purchased or acquired between December 12, 2006 and March 5, 2008, and/or any CIT-Z securities purchased or acquired pursuant or traceable to the October 17, 2007 registration statement and prospectus, as nominee for a beneficial owner, then, within ten (10) days after you receive this Notice, you must either: (1) send a copy of this Notice by First-Class Mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

CIT Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040
1-877-254-1527

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing. If you do not intend to comply with the provisions of this section you are requested to notify the Claims Administrator of that fact at the address listed above.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for, or advancement of, reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator.

DATED: March 23, 2012

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK