Form **8937**(December 2017) Department of the Treasury Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-0123

Part I Reporting Issuer				
1 Issuer's name	2 Issuer's employer identification number (EIN)			
Citizens Financial Services, Inc.			23-2265045	
3 Name of contact for additional informat	5 Email address of contact			
Gina Boor 570-662-0444 6 Number and street (or P.O. box if mail is not delivered to street address) of containing the contain			gboor@firstcitizensbank.com 7 City, town, or post office, state, and ZIP code of contact	
6 Number and street (or P.O. box if mail is	s not delivere	ed to street address) of contact	7 City, town, or post office, state, and ZIP code of contact	
15 South Main Street			Mansfield, PA 16933	
8 Date of action	9	Classification and description		
June 29, 2018 10 CUSIP number 11 Serial num		mmon Stock 12 Ticker symbol	13 Account number(s)	
10 CUSIP number 11 Serial num	iber(s)	12 Ticker Symbol	Account number(s)	
174615104		CZFS		
	Attach addi	tional statements if needed. Se	e back of form for additional questions.	
			e against which shareholders' ownership is measured for	
			dividend to shareholders of record as of June 15, 2018	
			e). Cash-in-lieu of fractional share checks were issued	
based on the market price of \$62.50, which	h was the c	closing price of our stock on June	e 5, 2018, the declaration date.	
45 Describes the assessment that is a effect of the	avaani-ation	ad action on the basis of the securi	ity in the hands of a U.S. taxpayer as an adjustment per	
share or as a percentage of old basis	For every	share of common stock the hold	der owns, their cost basis would be diluted by 1%.	
		100 - 1-1-00-1-00-1-01-1-0	tion and to the medical values of accomition and the	
			ation, such as the market values of securities and the	
valuation dates ► It was a 1% stock of	dividend that	t resulted in 34,272.0101 shares	being issued, taking the total shares outstanding	
from 3,478,380 to 3,513,653 on June 29, 20	018.			

Par	t II	Organizational Action (continue	ed)		
17	List the		rion(s) and subsection(s) upon which the tax	treatment is based ▶	305(a) and 1016(a)(4)
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-			 		
		ny resulting loss be recognized? ► Yes k basis.	, if the amount received per share in lieu	of the fractional shar	es is valued at less than their
-					
					
19	Provide	e any other information necessary to imp	olement the adjustment, such as the reporta	able tax year ▶ Report	able in 2018.
	T			adulas and statements	and to the heat of my knowledge and
	belie	er penalties of perjury, I declare that I have e f, it is true, correct, and complete. Declaratior	xamined this return, including accompanying school preparer (other than officer) is based on all inf	ormation of which prepar	er has any knowledge.
Sign				1	/
Here	Cian	my SS		Date ▶ 7/6	18
	Olgin	ature P		Title ► COO & CF	0
D		your name ► Mickey L. Jones Print/Type preparer's name	Preparer's signature	Date	Check PTIN
Paid		VI - 1 - 1			self-employed
	oarer	Firm's name ▶	_ L	1	Firm's EIN ▶
use	Only	Firm's address			Phone no.
Send	Form 89		s) to: Department of the Treasury, Internal F	Revenue Service, Ogde	en, UT 84201-0054