

# Deposit Account Agreement



**FIRSTBANK  
DEPOSIT ACCOUNT AGREEMENT**

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PLEASE READ THIS AGREEMENT CAREFULLY. This Agreement contains certain terms and conditions that govern your Account. This Deposit Account Agreement ("Agreement"), our Rates and Fees Schedule, and any other attachment and/or document provided at the account opening, contain the terms and conditions that govern your Account.

## **I. ACCOUNT FEATURES**

### **A. Introduction**

Welcome to FirstBank Puerto Rico ("FirstBank"). We are pleased that you decided to open an account with us. This booklet and the documents mentioned in the previous page contain the general rules, terms, conditions, and other disclosures applicable to the account(s) and services you have selected. By signing any account opening document, including but not limited to, the signature card, or by using your accounts or services, you agree to the rules, regulations, terms and conditions stated in this agreement. Certain accounts, such as loans and credit cards, are covered in separate disclosure booklets. If you have any questions, please contact any FirstBank branch or call our FirstLine Solution Center at the address and phone number provided on the last page of this Agreement. If the address or telephone number changes, we will notify you in your monthly statement.

### **B. Definitions**

This is the Agreement governing your deposit Account(s) ("Account") with FirstBank. "FirstBank", "Bank", "we", "our", or "us" refer to FirstBank Puerto Rico; and "depositor" or "depositors", "you" or "your" refer to anyone signing any account opening documents including, but not limited to, the signature card, and for non-personal deposit accounts, the organization on whose behalf the card is signed. "Agreement" means this agreement and any other documents which may be furnished to you with this Agreement.

The Rates and Fees Schedule and any other attachment and/or document provided at the Account opening contains, among other disclosures, interest rates and "APY" applicable to each account. "APY" refers to the "Annual Percentage Yield" of your Account. This yield reflects the total balance of interest paid on your account if the amount deposited plus the interest it accrues remains deposited in your Account for a period of 365 days or a period of 366 days during leap years.

To the extent required by law, we will send you to the address appearing in our records, advance notice of any changes we make in the terms of this Agreement. You must notify us in writing of any changes in your mailing address.

"Business day" means every day except Saturdays, Sundays and federal holidays. Although the Bank offers service to the public, these days will not be considered business days.

The term "ATM" means "automatic teller machine".

For the purposes of this Agreement, the term “Debit Card” refers to bank issued cards that enable you to conduct transactions in your Account or obtain information regarding your Account.

“ACH Entry Number” refers to the number assigned to each transaction processed by the Automated Clearing House (ACH) network. This number is assigned by the operators of the ACH network when they receive a request to debit or credit an account from an institution, business or person who originates the transaction.

“Remote Deposit Capture” (RDC) refers to the Digital Banking “Depósito Expreso Móvil” mobile deposit feature that allows certain FirstBank’s linked deposit Accounts to receive deposits. Customers may take pictures of the front and back of certain checks and deposit them through the Digital Banking Check Deposit feature. The back of the check must be endorsed with the phrase “For mobile deposit only on Account #\_\_\_”, and the customer signature, so not having said endorsement could be a reason for rejection. If a deposit is made by RDC, the customer must keep the check for at least thirty (30) days.

“Electronic Payment” refers to any payment made by phone or internet such as FirstBank Bill Payment or Pay by Phone services.

“Depósito Expreso” refers to the service that allows you to make electronic cash and/or check deposits, at your convenience, to your deposit Accounts at FirstBank’s ATM machines. These transactions can be made with your Debit Card using your Personal Identification Number (PIN) without the need to use an envelope or deposit slip, provided that this service is available through the ATM machine you use. ATM machines located outside our branches may not accept deposits.

### **C. Use of this Agreement**

The general terms and conditions on section D of this part of the Agreement will apply to all deposit accounts you may have with us. Each type of deposit account has additional specific terms and conditions, which are set forth in other sections of this booklet and in our Rates and Fees Schedule, the Account Agreement, and any other attachment and/or document provided at the Account opening. We urge you to refer to them.

### **D. General Terms and Conditions Applicable to all Deposit Accounts**

1. **Account Statement.** All transactions are subject to verification and possible corrections. For commercial accounts that receive account statements, you will have 20 calendar days from the date the status is sent to you (unless applicable laws provide otherwise) to notify us in writing or orally of any error in the statement or in the annexes included. The Bank will mail you an account statement each month on that date the Bank determines. For errors in your individual account statement, you should refer to the Regulation E section in this Agreement.
2. **Deposits.** You may make deposits at any branch, through the “Depósito Expreso” functionality available on ATMs, Mobile “Depósito Expreso Móvil” or

by mail. You may also make deposits with envelopes in ATMs that have this functionality. The Bank may refuse, return or limit the amount of deposit.

When required, Depositor shall use the Bank's official forms to make deposits. You must legibly write your name, account number, date of deposit and required information. When in the form: (i) not all this information is provided; (ii) depositor's name and/or account number does not exactly match our records; or (iii) it is reasonable to conclude that the written information is partly or totally illegible, the Bank shall not credit the Account for the amount of the deposit until these issues are duly clarified. The Bank is not obligated to pay checks drawn against deposits not credited to the Account for the reasons referred to in this clause.

The Bank's teller shall verify only the cash deposited. When the deposit contains, including without limitation, checks, manager's checks, official checks, administrative checks, certified checks, drafts, payment orders, etc., (hereinafter "Items"), the teller shall neither acknowledge the receipt of nor verify the nominal value of said items. The Bank shall verify these items no later than the day after the deposit is received and the Bank's determination regarding any item shall be considered correct.

All items payable at or through other banks or at branches of the Bank outside Puerto Rico will be credited to the depositor's account subject to the final payment of the paying bank. Until its amount is received, the Bank will be the holder of the effects, at the risk of the depositor, and assumes no more responsibility than to exercise reasonable care. The Bank does not assume any responsibility for the acts, omissions or negligence of duly designated correspondents, agents or subagents to whom it commissions the collection of items, nor does it assume responsibility for the loss of values in transit. The Bank, and its correspondents, agents or subagents, may send the items directly or indirectly to any bank, including the bank drawn and may accept the item drawn or any credit that it opens or grants as a conditional payment in substitution of cash, with no responsibility to depositor for any loss that may arise for accepting the payment in such manner.

Following are the "Depósito Expreso" limits for ATM, which may be modified by the Bank at any time without prior notice:

<b>Cash Deposits</b>		
	<b>Frequency</b>	<b>Limit</b>
<b>New Accounts</b> (less than 90 days of established)	Per deposit	75 notes
	Daily	\$2,500
	Monthly	\$5,000
<b>Existing Accounts</b> (90 days or more of established)	Per deposit	75 notes
	Daily	\$10,000
	Monthly	\$100,000

Checks Deposits		
	Frequency	Limit
<b>New Accounts</b> (less than 90 days of established)	Per check	\$2,500
	Daily	\$5,000
	Monthly	\$50,000
<b>Existing Accounts</b> (90 days or more of established)	Per check	\$5,000
	Daily	\$10,000
	Monthly	\$100,000

3. **Withdrawals.** You can make withdrawals through the methods provided by the Bank. You may make withdrawals using the forms and devices provided by the Bank, such as debit slips or Debit Cards. The Bank reserves the right to require the Depositor written notification at least seven (7) calendar days before the withdrawal or transfer of any funds in their interest-bearing checking accounts and/or the savings section of their combined account. The Bank reserves the right to debit from your deposit account any amount resulting from a fraudulent scheme or transaction, as determined by the Bank.

The Bank does not have to honor debits from your Account if at the time they are processed the balance in your Account is not enough or you do not have available balance in your Account to cover them. In these cases, the Bank will impose a fee for returned debit or transaction, as specified in the Rates and Fees Schedule, and any other attachment and/or document provided. If the Bank honors such debits when your Account has insufficient or unavailable balance to cover them, it will cause an overdraft in your Account that may be subject to the fee stated in the Rates and Fees Schedule, and in accordance with the provisions of the notification of overdraft services and any other attachment and / or document provided at the opening of the Account. If the Bank decides to allow an overdraft in your Account, we will have no obligation to allow subsequent overdrafts, nor will have the obligation to notify you when no subsequent overdrafts will be allowed. You agree to immediately deposit the amount that is sufficient to cover the overdraft and the corresponding fee or the Bank may, at its sole discretion, debit such amounts from the existing funds in any of those Accounts that you have in the Bank.

4. **Lien and Set-Off.** Subject to limitations established by applicable laws, the Bank shall have a continuing lien on any personal property in possession of the Bank and on your Account for any and all your existing or future liabilities and obligations with the Bank. In addition, the Bank may set-off against your Account any non-matured or contingent liabilities and obligations with the Bank.
5. **Individual Account / Joint Account**
  - a. **Individual Account.** Accounts whose holder is one person, either natural or juridical. The authorization of this person is required, or, in the case of a juridical person, the authorization of the persons designated by the holder to carry out the transactions linked to this Account



- b. **Joint Account.** Account owned by two or more holders, any of which may have the funds with only their own signature or with the signature of one of the holders.
- i. All items drawn against the Account must be signed by one of the account holders and if said joint account holders have authorized the Bank in writing, the Bank shall not be responsible if it pays said item.
  - ii. Every amount deposited or that thereon is deposited or credited to the Account shall be property of all joint account holders.
  - iii. All deposits made to the Account becomes the property of all the account holders and we can release the full balance of the Account to any of you as well as honoring checks or orders of withdrawal from either of you.
  - iv. You authorize the Bank to accept deposits in checks or withdrawal orders made in favor of any of the holders or of all, without endorsement or endorsed by one of you.
  - v. You authorize us to apply the funds in the Account to any existing or future debt, which either of you may have with us.
  - vi. Each of you accepts that you will be personally responsible for all checks or withdrawal orders made against the Account.
  - vii. If the Account can be used as collateral, the signature of all account holders shall be required.
  - viii. The Bank could provide the service of providing electronic account statements. In such case, if one of the account holders opts for electronic statements, this option could eliminate the receipt of paper statements. Please refer to the Terms and Conditions applicable to the digital banking and electronic account statement provided during the enrollment to the services.
6. **“In Trust for” Accounts (ITF).** An Account opened on behalf of another person does not constitute a trust under the laws of the Commonwealth of Puerto Rico. In the case of decease, mental disability or any other incapacitating disability of the Depositor, the Bank will comply with all applicable laws or regulations regarding the subject. Each Account will be subject to laws regulating succession and inheritance tax, regardless of the name(s) appearing in the Account.
7. **Fees.** Your Account is subject to service charges for different concepts as described in the Rates and Fees Schedule and any other attachment and/or document provided at the Account opening.

For accounts for commercial purposes all changes in charges shall be considered as accepted by depositor ten (10) days after the date the notice was sent to the Depositor's last address known by Bank. Accounts that require special services, or that require several services in excess of those that ordinarily require checking accounts or in excess of the services that the Bank considers reasonable, will be subject to additional charges. The Bank will

notify the Depositor of the additional charges by sending a notification to the Depositor's last address known to the Bank and such additional charges will be deemed accepted after five (5) days from the date of notification.

We reserve the right to modify charges by means of prior notification.

8. **Passive (Dormant) Account.** Is define as a deposit account that does not reflect any transactional activity initiated by the customer during the period established by the Bank. Refer to the corresponding Rates and Fees Schedule for the inactivity term of each type of account. The Bank will debit from your Account any applicable service charge and may change from time to time the amount of such charges. To activate the Account the Depositor must do so personally at a branch. This does not apply to Certificates of Deposit.
9. **Unclaimed Property (Saving & Checking Accounts).** Under the laws and applicable regulations for the unclaimed or abandoned property, we will consider unclaimed or abandoned funds in any account in which you have not affirmatively expressed an interest by contacting FirstBank during the last five years. The Bank shall consider that you have expressed interest in the Account if you write us expressing such interest related to your Account or make any transactions to or from it.
10. **Transfer of Ownership.** This Account is not transferable.
11. **Closing Accounts.** We may close your Account at any time in our sole discretion if it is being used for purposes other than those described in the Account opening. FirstBank will not be required to provide advance written notice to you of our intention to close your Account. If your Account is closed, FirstBank will mail any balance on your Account to your last known mailing address, as it appears in our records. Should the Bank provide notice of closing, we will not be required to pay checks or other orders of withdrawals drawn on your Account that are dated more than ten (10) business days after the notice is mailed to you. If your Account maintains \$0 balance for a period of 30 days or more, it may be canceled.

It is policy of the Bank not to open or maintain accounts for customers dedicated to the business of money remittance. Therefore, when we identify that deposits made to an account reflect the occurrence of these activities, the Bank will proceed to immediately close that account. The Bank is authorized to return without paying all items issued on or after the day the Account is closed. The Depositor expressly relieves the Bank of any liability that may arise when returning an item because the Account has been closed. The Bank reserves the right to open, close and maintain accounts of customers dedicated to the business of changing checks.

12. **ACH Credits.** Under the Operating Rules of the National Automated Clearing House Association (NACHA), which are applicable to Automated Clearing House (ACH) transactions involving your Account, we are not required to notify you of receiving an ACH credit nor will do so. However, we will continue

to notify you of the receipt of ACH credits in your regular account statement.

To the extent allowed by applicable laws, we reserve the right to charge your Account for any credit if final payment is not received by us. The charge to your Account will be made on the date that the Bank is charged with respect to the item. Without limitation of the foregoing, you agree to be bound by the provision of NACHA Operating Rules, including but not limited to, the provision that states that credit given by us (as the Receiving Depository Financial Institution under such rules) to you with respect to certain credit, is provisional until we receive final settlement for such entries. If we do not receive the final settlement, you agree that we shall be entitled to charge your Account for any such credit entry, and the originator of such credit entry shall not be deemed to have paid you the amount of such credit entry. Charges to your Account will be made as of the date we are charged with respect to the entry.

13. **Wire Transfer.** We are not obliged to notify you of any electronic transfer in your Account, other than to record such payment in your next regular account statement. If we send you an additional notice of the receipt of such funds transfer for your Account; you may not withdraw such funds until we have received payment from the person or entity sender of such transfer.

You shall have thirty (30) calendar days after any notice is mailed or you are otherwise notified, to examine such notice and advise us in writing of any errors with respect thereto. Failure to notify us within such period shall be deemed unreasonable.

Regardless of any instruction from you to the contrary, we reserve the right to use any fund transfer system of our choice and any intermediary bank to be used in the execution of any wire transfer accepted by us and may otherwise use any means of executing the wire transfer which we deem reasonable under the circumstances. In case of conflict between the terms of this Agreement and your instructions, the terms of this Agreement will govern.

You will not initiate any wire transfer in connection with the Account until we have received an agreement and authorization to transfer funds in a manner acceptable to us, and the account must have been active for at least 30 days. Any transfer of funds by us for your benefit without having received such an agreement and authorization to transfer funds will be subject to all Bank terms and conditions governing wire transfers.

The policies of the Bank require, and you agree to, certain security measures prior to initiating wire transfers. You also agree to indemnify and release the Bank from any liability for loss or impairment arising as a result of the Bank making a transfer in the good faith belief that it was ordered by you, provided the Bank has complied with established security processes.

14. **Applicable Law.** Your Account and this Agreement shall in all respects be

governed by the laws of the Commonwealth of Puerto Rico and applicable federal laws and regulations. This Agreement will be automatically modified from time to time to conform to applicable legal requirements.

15. **Liability for Deposits.** All deposits to your Account are payable and collectible only at any FirstBank branch or through the electronic channels of "Depósito Expreso" and RDC and shall be governed by the laws and regulations of the Commonwealth of Puerto Rico and federal, as applicable. Our compliance with the instructions for sending funds to or through correspondent banks shall not be considered a waiver of and shall not otherwise affect the foregoing provisions.
16. **Attorney Fees and Expenses.** In the event that legal proceeding against your Account is initiated, either by you, us, or a third party, you agree to reimburse us for all attorney fees and expenses incurred by the Bank as a result of such procedure. You agree that we may charge the amount for this purpose to the balance of funds in your Account.
17. **Compensation.** If you request the Bank to follow instructions which the Bank considers expose us to potential liability under the law, the Bank may refuse to follow such instructions or may require a security bond or other satisfactory protection for the Bank before following the instructions.
18. **Liability.** You agree that: (i) FirstBank shall not be liable for any damages unless such damages are the direct result of FirstBank's gross negligence or willful misconduct; and (ii) FirstBank shall not be liable for indirect, special, or consequential damages regardless of the form of action and even if FirstBank has been advised of the possibility of such damages.
19. **Disclosure of Information.** By signing the signature card or using your Account, you acknowledge and accept that any information you have supplied to us relative to opening your Account is complete and correct. You agree that the Bank may obtain a consumer credit report on you. At your request, we may provide you the name of the credit reporting agency used in your case. We may also verify your employment, salary, assets and debts, to all holders and / or authorized signatures in each Account.
20. **Final Payment of Checks, Drafts and Other Items.** The Bank chooses the methods for obtaining final payment of a deposited check, order of withdrawal, draft, note or other instrument ("Item") deposited on your behalf and may use other banks in the process. The Bank will not be liable for actions taken by other banks, nor for the loss or destruction of any item in possession of other banks or in transit. A bank may refuse to honor a deposited item or may honor one refused by another bank. The Bank will not be liable for any action or omission that is reasonable under the circumstances or taken or omitted under the laws, rules, regulations, or practices referenced herein. Any item not finally paid (returned and unpaid) will be deducted from your Account.

21. **Order for Processing Transactions.** The Bank determines the order in which we process and post deposits, other credits and checks and other items to your Account. The Bank may pay or authorize some items, and decline or return others, in any order the Bank deems appropriate at its sole discretion. The Bank may choose the processing and posting of the transactions, regardless of additional charges being generated. Processing transactions to your Account impacts your Account balance. Posting a credit increases your Account balance. Posting a debit or hold reduces your Account balance. Credits include teller deposits, direct deposits and credits we make. Holds include withholding deposits, Debit Card authorizations, and holds related to cash withdrawals and electronic transfers. Debits include withdrawals, transfers, payments, checks, one-time and recurring Debit Card transactions and fees.

The Bank uses automated systems to process transactions and then to post transactions to accounts. When the Bank processes multiple transactions for your Account on the same day, you agree that the Bank may, at its discretion, determine the posting order for the transactions and that the Bank may credit, authorize, accept, pay, decline or return credits, debits and holds in any order at the discretion of the Bank.

- a. **Posting Transactions.** This section summarizes how we generally post some common transactions to your Account.

The Bank groups the different types of transactions into categories. We use several categories for holds, credits, and debits. Most categories include more than one type of transaction.

After the end of the business day, the Bank's automated system assigns each transaction received for that day to a category. The Bank generally posts all transactions within a category, using the posting order that applies to that category, before we post any transactions assigned to the next category.

We start with the balance in your Account at the beginning of the business day, subtracting debits from your balance. Some, but not all our categories are shown below. For each debit category shown below, we list some common types of debits that we assign to the category and summarize how we generally post them within the category.

- i. We add deposits and other credits to your balance.
- ii. Then, we subtract from your balance in date and time order of the debits listed in this paragraph, when our systems receive information of the date and time. If our systems do not receive date and time information, then we subtract the remaining debits in this category from your balance in order from the highest to lowest dollar amount.
  - One-time and recurring debit card transactions.
  - Withdrawals made at our tellers and ATMs.
  - One-time transfers made at ATMs, through our tellers,

by telephone, and through Digital Banking and Mobile Banking.

- Checks written by you that are cashed at our tellers.
  - Wire transfers.
- iii. Then, for other checks you wrote, we subtract from your balance the numbered checks, in numerical order when our systems can read the check number.
  - iv. Then, we subtract from your balance other types of electronic debits, from the highest to lowest dollar amount. These debits include scheduled transfers, preauthorized or automatic payments that use your deposit account number, and Digital Banking and Mobile Banking bill payments.
  - v. Then, we subtract from your balance most fees (for example, monthly maintenance fees, overdraft item fees, returned item fees, and ATM fees) in order from highest to lowest dollar amount. Some fees may show as “processing” until the next day.

NOTE: The above mentioned does not apply to Certificates of Deposit.

22. **Debits to Accounts.** The Bank may debit your Account on the day an item is presented to the Bank or as soon as we receive notification that an item drawn against your Account has been deposited in another financial institution. Once the Bank receives such notification or item, we will determine your Account balance to decide whether accepting or not an item due to insufficient or unavailable funds.
23. **Endorsements.** As paying bank and primary deposit bank, FirstBank is required to place its endorsement stamp in previously established places on the back of a check. Checks deposited through RDC must be endorsed “For Mobile Deposit Only on Account#\_\_\_\_\_”. The Bank reserves the right to accept the check if the endorsement is not included. You assume all responsibility and liability for any loss that FirstBank may suffer as a result of placing your endorsement on the back of the check in any manner that obscures or obstructs other endorsements causing a delay in the process of issuing or returning the check. You will endorse the effects in the area from 0.0 to 1.5 inches from the outer edge of the check. The outer edge of the check is the left side of the check looking at it from its face. FirstBank reserves the right to refuse to accept a check for deposit if the back of the check is not clear and legible.
24. **Claims against the Bank.** If the Bank receives notification of a claim about an unauthorized endorsement or signature of an unauthorized drawer, improper or missing endorsement, or about the alteration of an item deposited or cashed by you, or any other claim of cashing or improperly deposit an item, deposited or cashed by you, the Bank may charge the amount of the claim or any portion thereof against any of your deposit accounts and withhold said amount pending resolution of the claim. The Bank will promptly notify you if it determines to make such a charge against your Account(s). The Bank may

exchange information with others in relation to such claim made against the Bank. In case FirstBank: i) Does not issue a suspension of payment of an effect; or ii) Pay an item that has a forged unauthorized signature, a forged or altered endorsement, FirstBank's liability, if any, will be limited to paying the nominal amount of the item.

25. **Insufficient Balances and Overdrafts.** You must maintain enough balance in your Account to cover the items you write. If an item is presented to the Bank for payment at a time when there is not enough balance of available funds (see Funds Availability-Regulation CC part in this Agreement), the Bank may pay the item, refuse payment or return it unpaid. The following examples could cause an insufficient balance and, therefore, an overdraft in your Account: (a) the payment of other items; (b) payments authorized by you; (c) items deposited by you that are returned unpaid to the Bank; (d) claims against the Bank; (e) transactions on ATMs in certain circumstances or other transactions with the Debit Card, including but not limited to telephone transactions, electronic transactions and/or transactions in points of sale (POS); (f) the imposition of service charges; (g) the Bank exercising its right of set-off. It is discretionary of the Bank to allow overdrafts. The payment of one or more overdrafts will not oblige the Bank to pay subsequent overdrafts. Nor will it have the obligation to notify you when it will not allow subsequent overdrafts. You agree to immediately deposit the required amount to cover the overdraft, or at the Bank's discretion such amount may be debited from funds deposited in any other account that you have in the Bank. The collection of overdraft fees will be subject to the provisions disclosed in the notification of overdraft charges provided to you at the Account opening.

In the case of an overdraft, the Depositor agrees to deposit enough funds to cover the overdraft, the interests over the amount of the overdraft conforming to the interest rate established by the Bank from the date of the overdraft until payment is fulfilled and any other applicable charge. You will be responsible for covering the overdraft. The Bank may compensate overdrafts against funds deposited in the same Account and / or in any other Account in the name of the Depositor.

The Bank does not have to honor debits from your Account if at the time they are processed your Account has insufficient or unavailable balance to cover them.

26. **Compensation.** The Bank is authorized to debit the Account without prior notification, any amount of money that any of the account holders owe the Bank for any concept, subject to the provisions of law.
27. **Limitations on Transactions and Withdrawals.** In certain cases the Bank may refuse to allow you make transactions, including withdrawals, for example, if there is a dispute regarding your Account unless the court has ordered the Bank to allow the withdrawal; if there is a legal lien on the funds in your Account; if your Account is the collateral that guarantees a debt; if any required document has not yet been supplied; if you have not paid on time a

loan with the Bank, or if the amount of the transaction or items exceed the limits allowed. When the Bank denies a withdrawal of funds in your Account, it will notify you of the reasons for such denial.

28. **Cashing Items.** The Bank may, at its discretion, refuse to cash any item payable to you or endorsed to you. If the Bank cashes any such item and it is returned unpaid, you acknowledge and accept that the Bank is authorized to deduct such amount from any account maintained by you. In addition, the Bank may, at its discretion, cash items drawn by you on your Account when presented by the holder.
29. **Stop Payments.** Subject to the applicable fee for concept of stop payment orders, the Bank will receive from you a stop payment order of an item as long as the Bank has reasonable opportunity to act on such stop payment order. The Bank will not be able to stop payment on an item unless you specify the account number, the exact amount of the check, the item number, the payee and its date. A stop payment order will not be effective on an item previously issued and paid by the Bank. Subject to applicable law, the Bank may stop payment on an official check, at its discretion, if said check has been lost, stolen or destroyed and upon receipt of your written sworn statement, a surety bond or other form of security acceptable to the Bank. An oral stop payment order expires after fourteen (14) calendar days unless confirmed in writing. A written stop payment order is effective for six (6) months following its coding in the Bank's records. The Bank shall not be liable for failure to process a stop payment order if: 1) you do not provide the Bank with all the information as listed above and with a reasonable opportunity to put the stop payment order; 2) the Bank determines, as permitted by law, not to stop payment on a Bank official check; or 3) the item in question is a postdated item. You may renew a stop payment order for an additional six (6) month term provided you do so within the original six (6) month term. The additional stop payment request will also be subject to the stop payment fee, as stated in our Rates and Fees Schedule and any other attachment and/or document provided by us.

The Depositor, or any other person authorized to sign in the Account, may revoke a suspension of payment requested by the depositor or another of the signatories. The cancellation request must be in writing and shall not be effective until the Bank has had reasonable time to codify the Account in its system. The Depositor shall be responsible for all damages and expenses (such as legal fees) in which the Bank may incur as a result of obeying a request for suspension of payment or a cancellation of a request for suspension of payment.

The Bank shall not be responsible for mistakenly paying an item against which there is a suspension of payment or for refusing to pay an item for which a suspension of payment has been canceled provided the Bank exercises due care. The request for suspension of payment is governed by this agreement and by the regulations set on the forms that the Bank uses for the suspension of payment and/or its cancellation. The Bank may, inadvertently and in the



ordinary course of business, pay a postdated item (prior to its date) and if as a result balance of your Account is not sufficient to cover another item drawn against the Account, the Bank shall not be responsible.

Each holder of the joint Account recognizes the right of the other holders of the Account to request and / or eliminate the suspension of payment of any item drawn against the Account issued by any of them, even if the person requesting the suspension of payment is not the signer of the item; none of the depositors separately may authorize, delegate or give power to another person so that in relation to items issued against the Account, they can act on their behalf and representation but, all depositors jointly may thus do so.

30. **Power of Attorney.** The Bank may recognize the authority of someone to whom you have given a written power of attorney regarding your Account. Our recognition of the power of attorney is subject to the power of attorney complying with the applicable law requirements regarding its validity and that those requirements established by the Bank are met.
31. **Severability.** If any provision of this Agreement is found illegal or invalid by a court or entity, juridical or quasi-juridical, with jurisdiction and competence, the remaining provisions of this Agreement shall remain in force.
32. **Credit Reporting Agencies.** Federal law requires us to notify our customers that in case of default in your Account we may furnish "negative information" to a consumer reporting agency. "Negative Information" means information concerning delinquencies, late payments, insolvency, or any form of default. This notice does not mean that we are currently furnishing negative information to consumer reporting agencies. Pursuant to the relevant provisions of the Fair Credit Reporting Act, 15 USC § 1681 (e), a client may not claim the Bank for the damages that he alleges to have suffered as a result of the Bank having reported "negative information" to the credit reporting agencies, unless you can prove that the Bank reported false information, maliciously and with the intention of causing you harm.
33. **Decease.** As soon as the Bank is notified or becomes aware of the decease of the depositor or one of the depositors, any balance that exists in said Account will be frozen until the process required by law is completed. Upon the decease of one of the holders of a joint account, the surviving depositor must immediately notify the Bank. Even if you know of the decease of the depositor, the Bank may, for ten (10) calendar days after the decease, pay checks or withdrawal orders issued by the deceased depositor while not receiving an order to suspend payment of a person claiming an interest on the Account. This will apply as long as there is no conflict with any other law of the United States of America and / or the Commonwealth of Puerto Rico. The Bank will not make any determination on the ownership of the funds.
34. **Legal Processes against the Account / Seizure.** You agree and acknowledge that when a distraint/seizure order or requirement is issued by a Court of Law or a government authority (including but not limited to the Treasury

Department of Puerto Rico and the Internal Revenue Service-IRS), the Bank shall “freeze”/ hold and hand over the funds available in the Account at the time of the distraint/seizure notice is presented to the Bank, according to the terms or requirements of the distraint/seizure order.

The Bank shall not have any obligation to refute, dispute or question the terms of distraint/seizure order or requirement, or to plead any defense on your behalf, before the person or entity promoting the distraint/seizure order or requirement. The Bank shall strictly comply with the terms of any distraint/seizure order or requirement, until we receive a court resolution or a release of levy from the authority that emitted the distraint/seizure order or requirement, leaving the same without effect. The presentation to the Bank of a proof of payment or release of levy of the distraint/seizure order or requirement will not be sufficient/enough to leave without effect the distraint/seizure order and/or “freezing”/holding of the funds.

If the distraint/seizure order or requirement were issued against the funds of any depositor of the Account, the Bank shall proceed with the “freezing/holding” and/or handing over of the funds, according to the terms of the distraint/seizure order or requirement, without the need to make any determination relating the funds’ titleholder or the means of the distraint/seizure order or requirement.

If a legal action is filed against the Account, the Bank may refuse to pay a check or payment drawn against the Account until the lawsuit is resolved. The Bank shall not be held liable to you for any amount paid due to an embargo order or requirement, even if the payment against the Account causes insufficient funds to pay a check issued.

If the Bank incurs in any expense, including but not limited to, legal fees or any non-refundable expenses to respond/cover any legal actions, the Bank may debit these fees from the Depositor’s Account without prior notice.

The Bank may, at its discretion, refuse to pay a bill or check against the Account for a reasonable time after receipt of notification of an existing or potential claim against the Account.

Any seizure, pledge or lien, against the Account is subordinated to the Bank’s rights of compensation or guaranteed interest.

35. **Your Responsibility.** You must exercise reasonable control over your Account statements, checks, deposit slips, endorsements, signature stamps, debit cards, personal identification number (PIN), computers and other electronic devices. It is your responsibility to keep them safe and report immediately if any of them has been lost or stolen to prevent misuse. You assume responsibility for monitoring and reviewing the activity of your Account, the work of your employees, agents and accountants and any use that any of them may have made to your Account. You are responsible for preventing “viruses” and intrusions in your computer and other electronic

devices that allow you to filter your personal information.

36. **Minimum Balances.** The minimum opening deposit and minimum balance requirements to avoid the monthly service charge are set out in the Rates and Fees Schedule and any other schedule and / or document provided at the opening of the Account. Please refer to these documents and the other applicable provisions of this Agreement. Regarding the calculation of the minimum balance to determine service charges, the Bank uses the average monthly balance for some accounts. The average monthly balance is determined by adding the daily balances of the Account during the monthly cycle and dividing the sum by the total days in the cycle. For other accounts, the minimum balance of each day is taken, and the monthly service charge is applied if this balance is less than the minimum required during the monthly cycle. Refer to the document Rates and Fees Schedule and any other schedule and / or document provided for the information of each account.
37. **Interest.** The interest rate and Annual Percentage Yield (APY) in effect on the date you opened this Account appear in the Rates and Fees Schedule and any other schedule and / or document provided. These Accounts have a variable interest rate based on market conditions and vary at the Bank's discretion. The Bank may change interest rates, annual percentage yield (APY), interest periods and the dates on which interest payments are credited to your Account without prior notice. We use the Daily Balance method to calculate interest in your Account. The Daily Balance method applies a daily periodic interest rate to the balance deposited in your Account. The daily periodic rate is  $1/365$  of the interest rate applicable to your Account, except when the year is leap that the periodic rate will be  $1/366$ . Interest accrues daily and is capitalized and credited to your Account monthly on the last day of your Account cycle.
38. **When Interests Begin to Accumulate.** Deposits will begin to accrue interest from the day the funds are deposited into your Account.
39. **What Happens If the Account is Closed Before Interest is Credited.** The Bank will not pay interest for the days of the cycle in which the Account is closed. Also, the Bank will not charge service fees for the monthly cycle in which the Account was closed.
40. **Additional Terms and Conditions Applicable to Tiered Interest Savings Accounts.** These accounts will be subject to the requirements of minimum opening deposit, minimum average daily balance to avoid service charges, interest payment structure and other limitations and conditions as set forth in other sections of this Agreement, the Disclosure and any other schedule and / or document provided. Refer to these for information and details related to the staggered structure for interest payments.

#### **E. Additional Terms and Conditions Applicable to Checking Accounts**

1. **Checks.** It is important that you use checks or effects with the format

authorized by the Bank. It will indicate the branch where you have your Account. FirstBank may refuse to cash checks drawn in any other format. We may cash checks or other items drawn against the Account on the day we receive them for payment regardless of the date on the check or effect. The Bank will pay checks or items against your Account according to the order of transaction processing included in this Agreement. You agree to protect your blank checks and other effects against theft or loss, and to notify us immediately if that blank checks or effects are stolen or lost. In addition, you agree to file a complaint for the theft of blank checks or other effects or the unauthorized use of this Account with the corresponding law enforcement agencies and provide us a copy of the official report or document issued by said agency as a result of the complaint.

The Bank may, without being liable to the Depositor, refuse payment of an item that has not been issued according to the Bank's requirements regarding the date, amount, endorsement and signature. Refusing to pay for any of these reasons shall not constitute a waiver of Bank of the right to pay an item whenever Bank deems it convenient according to its best interests and those of the depositor.

The Depositor expressly releases the Bank of any and all responsibility it may incur upon refusing payment of an item that is not issued on official Bank forms and that is not addressed to the branch where depositor maintains the Account. The Bank is not obliged to pay a check that has over six (6) months of being issued, but if it pays said check it may charge said amount to the Account.

The Bank does not have to honor checks or debits from your Account if at the time they are processed your Account balance is insufficient, or you have no available balance to cover them. For additional information refer to the section on Insufficient Balance and Overdraft.

2. **Conditional Checks.** You shall not put a condition on any check or item. If you do so, when the item is presented to the Bank for payment, the Bank may, at its discretion, pay the item or return it unpaid, whether or not the condition or conditions set forth therein have been met.
3. **Combined Account.** This type of Account is divided into two sections. The available balance of the savings section could be used without prior notification to cover casual overdrafts in the check section.
4. **Verification of checks.** Because of the high volume of checks we receive and in compliance with the regulation on the availability of funds, we use an automatic system to process checks. Although we may occasionally visually review a sample of checks and other items, business standards do not require us to do so.

Sometimes, we select some checks to be reviewed based on certain criteria. This means that most of the checks are processed based on the magnetic line (MICR-Magnetic Ink Character Recognition) printed on the edge of the check.

In most of these cases the date, signature of the originator of the check, restrictions and / or endorsements are not examined individually. You agree that we have taken ordinary care by only reviewing the effects that we have identified in accordance with the criteria that we have established in the reviews.

If we conduct visual verification on any check or other effect, we may waive any instruction or restrictive annotation, such as an instruction to allow withdrawals with more than one signature or return an effect without paying if, at our discretion, it is determined that the signature is not the same as the signature registered in your Account. You agree that we will not be responsible for honoring any check or item with a signature that, at our discretion, is a signature like the one registered in your Account.

Given the fact that we do not individually review most checks, it is crucial that you protect your checks, review your statements and immediately report any suspicious or unauthorized activity. You agree that the automatic system for processing checks is reasonable and that you accept the responsibility of preventing and reporting fraud, alteration and any other unauthorized use of your checks and / or Account. You agree that ordinary care does not require us to detect fraud or alterations that may not be detected by a person who reasonably meets business standards.

Given the fact that in some types of checks fraud is more difficult to detect, we may choose in some cases to conduct further investigation of certain checks or other items that are presented for collection against your Account. If we cannot contact you or take other actions to determine with reasonable certainty that you authorized these payments, we may pay the checks and other effects or return them without paying without any liability to you.

## **F. Common Terms and Conditions Applicable to All Certificates of Deposit**

1. **Agreement.** When renewing the Account, we will record in our files the renewal date, the current interest rate and the expiration date applicable to said renewal, as well as any additional deposit you make as stipulated in this Agreement. All renewal information and any other modifications contemplated herein will be understood as incorporated in the disclosures of your certificate of deposit that you originally received, and it will be understood as amended in this way. Our records will be considered true and correct except in cases of manifest error.
2. **Maturity.** This Account shall mature on the date stated on the certificate disclosures. In the event the maturity date falls on a weekend or Bank holiday, the maturity date will be the next business day. However, the maturity date for any renewal of this Account will be adjusted automatically to reflect the original length of the term of the Account.
3. **Interest Accrued.** Deposits will begin to earn interest on the day funds are deposited.

4. **Grace Period.** Our certificates of deposit are automatically renewable upon maturity unless you direct us otherwise. You may withdraw all or a portion of the amounts in your Account without penalty during a grace period of ten (10) calendar days after maturity. In the event of any withdrawal upon maturity, interest will accrue and be paid until the day prior to such withdrawal.
5. **Minimum Balances.** Certificates of Deposit require a minimum opening deposit as set forth in the certificate disclosures and any other attachment or document applicable. The opening balance must be maintained to earn the interest rate and Annual Percentage Yield and to keep the Account open. However, the Bank reserves the right to negotiate the minimum opening deposit amounts and the expiration terms at the time of opening the Account. The Bank will not allow any reduction to the balance of this Account before its expiration without the Bank's consent; however, if the Bank in effect gives its consent, said reduction will be considered as a withdrawal and your Account will be subject to the penalties described in the annexes and / or documents provided by us.
6. **Interest and Renewal.** The interest rate and Annual Percentage Yield on the date you opened this Account are displayed on the certificate disclosures and in any other applicable document. If the term of your Account is one year or less, interest will not compound during the term and will be credited at maturity. If the term of your Account exceeds one year, interest is accrued and paid annually on the anniversary date, as applicable to the type of certificate opened. Depending on the type of certificate, at the time of opening, you may choose between several alternatives for interest payment periods and interest payment methods. Your choice will appear in the certificate disclosures and any other attachment and/or document provided by us, regardless of the length of your Account term, if your Account automatically renews and you allow interest to remain on deposit after maturity, compounding will occur on interest credited at maturity. We use the Daily Balance method to calculate the interest on your Account. This method applies a daily periodic rate to the balance in the Account each day. The daily periodic rate is  $1/365$  of the interest rate applicable to your Account. Unless you otherwise direct us, the Account will be automatically renewed upon maturity for the same term as is reflected in the Certificate. The renewal interest rate on your Certificate will be the rate offered by the bank current at the time of renewal. If you direct us not to renew your Account, interest will not be paid on the Account after the maturity date.
  - a. **Interest and Renewal in Leap Year.** The daily periodic rate of  $1/365$  will apply during a leap year if the maturity date is before February the 29<sup>th</sup>. If the opening or renewal date of the certificate is before February the 29<sup>th</sup>, the periodic rate will be  $1/366$  if the term of the certificate includes February 29<sup>th</sup>.
7. **Additional Deposits to Automatically Renewable Accounts.** You may make additional deposits to this Account during the grace period, which is ten (10) calendar days after maturity.

8. **Term.** The minimum term for this type of Account is seven (7) days, and the maximum term is five (5) years. However, the Bank reserves the right to negotiate terms at Account opening.
9. **Qualified Withdrawals - Act 98 of June 25<sup>th</sup>, 1998**
  - a. In case of decease or a case of need is certified, as this term is defined in the Internal Revenue with reference to the premature withdrawal without penalty of funds deposited in Individual Retirement Accounts of any of the holders, no penalty will be charged for premature withdrawal by a consumer, their guardian or beneficiaries, prior to the expiration date of funds in certificate of deposit accounts. It will apply to withdrawal transactions of one hundred thousand dollars (\$100,000) or less, including accrued interest, if the Account has been in force and effect for a term of one hundred and eighty (180) consecutive days prior to its closing. Documentation is required to support such withdrawals according to the Agreement.
  - b. To be eligible for an early withdrawal, the consumer, its tutor or beneficiary must submit a notarized Sworn Statement along with the evidence or certification required for each of the qualified categories. This requirement does not apply in case of decease, according to this Agreement.
    - i. **Disability.** The Account holder must submit a medical certificate issued by the State Insurance Fund Corporation, the Veterans Administration, the Social Security Administration or any governing board of a legally established retirement system established by law. According to the Internal Revenue Code, an individual will be considered disabled if he is prevented from being employed in any significant lucrative activity due to medically determinable impediment, whether physical or mental, that can be expected to have a prolonged and indefinite duration or that could result in decease.
    - ii. **Unemployment.** The Account holder must submit a certification provided by the Department of Labor and Human Resources.
    - iii. **Cost of university studies of direct dependents.** The **Account** holder must show a certification from the university stating that the dependent is enrolled in that university and detailing the study costs that must be paid by the Account holder.
    - iv. **Acquisition of the first main residence.** The Account holder must certify that the funds will be used for the acquisition of his/her first principal residence and that before the date of the early withdrawal he/she has not owned a residential property which has been used as his/her principal residence. The Account holder must also comply with certain additional requirements.
    - v. **Repairs or rebuilding of the main residence or to avoid**

**the imminent foreclosure or default of the mortgage.**

Early withdrawal due to repairs or rebuilding of the Account holder's principal home (due to fire, hurricane, earthquake or other fortuitous causes), or to avoid the imminent foreclosure or incurring a default in connection with the mortgage covering his principal residence (including entering into a refinancing) due to the loss of employment or the substantial and verifiable reduction in income, the Account holder must present all documentation required to justify the request. Provided, however, that in the case of the imminent foreclosure or incurring in default in connection with the mortgage covering the principal residence (including the refinancing to avoid a default), the Account holder may withdraw up to half of the funds deposited or \$20,000, whichever of these amounts is greater.

- vi. **Purchase of computer.** The Account holder must certify that the funds will be utilized for the purchase of a computer, that no funds have been withdrawn from another account for the purchase of a computer during the previous six (6) years, and that the computer will be utilized by a dependent within the second degree of consanguinity who is studying up to the university level. The Account holder must comply with certain additional requirements (currently, distributions for the purchase of a computer may not exceed \$1,200).
- vii. **Payment of treatment expenses of severe, chronic, degenerative and terminal illness.** For an early withdrawal to pay the treatment expenses of severe, chronic, degenerative and terminal illnesses of a member of the Account holder's family, up to the fourth degree of consanguinity and the second of affinity, the Account holder must present all documentation required to justify the request.
- viii. **Acquisition of a renewable, efficient and environmentally friendly energy system for your residence.** Meaning all equipment or personal property, or set of them, that produces energy from renewable sources, such as: solar, wind, geothermal, ocean-thermal, hydroelectric or renewable fuels, not including fossil fuels. This alternative is limited to a maximum withdrawal of \$20,000 once every 10 years and requires copy of the invoice or price quote of the supplier or commercial establishment.

**G. Additional Terms and Conditions Applicable to Deposit Accounts for Minors**

1. The Account must be authorized by the father, mother or legal tutor (from now on an "Signatory Adult") who wishes to open the Account in favor of the minor. The Signatory Adult expressly agrees that the funds deposited in the Account will be for the benefit of the minor. In some products for minors, the minor and the Signatory Adult will have access to the Account through a Debit



Card. The Signatory Adult expressly authorizes the Bank to:

- a. Give the minor a Debit Card to make deposits and withdrawals transactions, including payments, fund transfers and direct deposits by electronic means and at Bank branches, and to make purchases at merchant locations where the Debit Card is accepted. The Adult recognizes and accepts that they will be solely responsible for the use of the Debit Card by the minor, specifically, they will be responsible for any act or transaction that the minor makes with the Debit Card. The Signatory Adult agrees to indemnify, defend and release the Bank from any liability for claims, demands, expenses, losses or damages that are related to, or arising from, the use of the Debit Card by the minor. This compensation includes costs, expenses and attorneys' fees incurred in any claim or proceeding related to the defense of this clause.
- b. Send the account statement on behalf the adult and the minor, which will reflect the transactions made against the Account during the period covered by the statement.
- c. The funds deposited in the Account cannot be used as collateral for loans and other obligations.
- d. The Bank shall automatically convert the Account to the one it designates when the minor reaches the maximum age established according to the product type.
- e. The use of the Debit Card shall be subject to the dispositions and conditions of this Agreement.

#### **H. Terms and Conditions Applicable to Commercial Accounts**

1. You are responsible for notifying the Bank immediately in writing of any change in the Authorized Signatories in the Account or the limit of its authority and complying with the procedure established for it. Failure to do so, the Bank is not responsible for transactions made with your Debit Card by persons authorized by you who are not duly identified as signatories in the Account. Until such notification has been received, the Bank may accept, without further investigation, any declaration, instruction, or representation made or issued by the Authorized Signatory.
2. You agree to pay any transfer of funds, as well as any loss or damage, direct or indirect, if the transfer is initiated by instructions that include the current access codes or applicable means of identification, even if the transfer has not been initiated by the Signatory Authorized.
3. You affirm that you have established security procedures that are commercially reasonable. You acknowledge that the purpose of security procedures is to verify the authenticity of the transaction to minimize the risk of fraud by unauthorized access.
4. You affirm that you have established and will maintain those internal procedures and controls that are necessary to avoid unauthorized transactions. The Bank will not be responsible for any transactions arising from events that occur because of your failure to comply with your internal

processes to avoid fraud or unauthorized transactions, among others.

5. If you suspect that unauthorized persons have had access to your Debit Card and / or PIN, you must notify the Bank immediately, followed by a written confirmation.

## **II. Use of Debit Card**

If you have and / or use your Debit Card, please read the following terms and conditions carefully.

1. The use of these cards is limited to the purchase of goods and services that are not prohibited by applicable federal or local laws, and deposits and withdrawals at automatic tellers.
2. The customer must have the plastic to make withdrawals and deposits at automatic tellers.
3. Depending on the type of transaction and the channel through which the transaction is made the limit of the transaction may vary.
4. It is an essential condition for the issuance and use of a debit card to maintain an active deposit Account with the Bank. In case of indistinct Accounts (and / or), the Bank may issue additional cards in the name of the Authorized Signatories and each will have access to a Debit Card. The Bank is authorized to recognize as valid the Debit Cards requested and issued and with the PIN assigned or selected by each Authorized Signatory. The Bank will consider valid any deposit or debit to the Account that corresponds to withdrawn funds, cash advances or merchandise purchased by any of the Authorized Signatories by using the Debit Card. Each Authorized Signatory will be responsible for said deposit, withdrawal or purchase and relieves the Bank of any responsibility for any loss that could occur as a result of the use of said Debit Cards.
5. You agree to maintain the confidentiality of your PIN always to avoid transactions by unauthorized persons. Therefore, you agree not to have the PIN written on your Debit Card.
6. You agree that the Debit Card will be owned by the Bank always and you are obligated to return it immediately to the Bank if required. The Bank is authorized to cancel the Debit Card at any time, without prior notice. The Debit Card is non-transferable.
7. The Debit Card may be used as a means of access to the Bank ATMs, and ATMs of other financial institutions and independent ATMs that participate in the networks in which the Bank participates, in and outside of Puerto Rico, and which logos are displayed in the front and back of your Debit Card.
8. The Bank will not be responsible for the acceptance or non-acceptance of the

Debit Card in commercial establishments or any other establishment in or outside of Puerto Rico.

9. The use of the Debit Card may be subject to charges imposed by the Bank or ATM operators, depending on the ATM you use.
10. If you are traveling outside of Puerto Rico, you must notify us in advance of the dates and destinations where you will be traveling to avoid interruptions in access to your account. You will not be able to use your FirstBank Debit Card in countries sanctioned by the Office of Foreign Assets Control (OFAC). We recommend that you ensure that you take alternative payment method with you.
11. All payment orders corresponding to a transaction made with your Debit Card, without using the PIN, must be done by the person in whose name the card was issued, and whose signature must match the signature you must put on the Debit Card immediately after receiving it. The amounts corresponding to purchase transactions and cash withdrawals will be debited from your Account once the merchant or financial institution where the transaction was made presents the payment order to the Bank.
12. Responsibility for Withdrawals and Purchases with your Debit Card(s).
  - a. You will be responsible to the Bank for any debit to the Account that corresponds to cash advances, funds withdrawn at ATMs and / or merchandise purchased through the authorized use of your Debit Card. Likewise, you will be responsible for any overdraft that arises or amount that exceeds the balance of funds available in the Account due to such debits, subject to applicable law. You must take appropriate precautionary measures to safeguard your Debit Card and PIN. If you suspect that your Debit Card or PIN has been lost or stolen, you must notify the Bank within the next two (2) business days after realizing the loss or theft of your card or PIN. The fastest way to notify us, and thus reduce your possible losses, is by calling the FirstLine Solution Center, whose contact number is at the end of the Agreement. The Bank may require you to submit your claim in writing and may request any additional information related to your claim.
  - b. The Bank will not be responsible for losses or claims that may arise if you do not notify us within the established time.
  - c. The use of this card will be limited to purchases of goods and services not prohibited by applicable federal and / or state laws.
  - d. The Bank will not be responsible in the following situations:
    - i. If for any reason not attributable to the Bank, you do not have enough funds or credit in your Account to make the transfer or withdrawal.
    - ii. If the ATM where you are making the transaction does not have enough cash.
    - iii. If the transfer exceeds the available funds in your commercial Account.
    - iv. If the ATM is not operating properly and you knew about the

- malfunction when you started the transfer.
- v. If fortuitous or natural circumstances, such as fire, flooding, prevent the transfer despite reasonable precautions taken by the Bank; or
- vi. If the funds in the Account are subject to a legal proceeding, restriction or embargo that prevents the transfer of funds.

### III. Expedited Funds Availability Act - Regulation CC

#### A. Your Availability to Withdraw Funds

Federal regulations affect the availability of funds in some of your FirstBank accounts. Our policy is to delay the availability of funds that you deposit in your Account as permitted by federal regulations. During the delay, you may not withdraw the funds in cash, and we will not use the funds to pay checks or orders that you have written. In certain cases, funds may be available on the same day or on the next business day after the day of your deposit. Although federal regulations do not require it, in combined accounts, the availability of funds in the savings portion will be subject to the availability terms that apply to the checks portion.

#### B. Availability of Deposits

The delay period is counted in business days from the day of your deposit.

1. In our branches, your deposits will have the same date the deposit was made, regardless of the time it was made; deposits made on Saturdays and non-business days, will reflect the date of the next business day.
2. **Deposits using Envelope.** If you make a deposit in a regular ATM, using an envelope, before 2:30 p.m. on a business day, that same day is understood as the day the deposit was made. However, if you make a deposit after 2:30 p.m. on a Saturday or any other non-business day, it is understood that the deposit was made the next business day. Deposits made before 2:30 p.m. in an ATM machine that accepts deposits will be processed as transactions made on the same day. Deposits made after 2:30 p.m. in an ATM machine that accepts deposits will be processed the next business day. ATM machines located outside our branches may not accept deposits.
3. **“Depósito Expreso”**
  - a. If you make a deposit in cash at an ATM with the “Depósito Expreso” functionality before 3:00 p.m. on a business day, it is understood that the deposit was made that same date. However, if you make a cash deposit after 3:00 p.m., on a Saturday or any other non-business day, it is understood that the deposit was made the next business day. Deposits in cash made before 3:00 p.m. in an ATM with “Depósito Expreso” will be processed as transactions made the same day. Deposits made after 3:00 p.m. in an ATM with “Depósito Expreso”, will be processed the next working day. The availability of these deposits is subject to the dispositions contained in this section of the Agreement.

- b. If you made a check deposit at an ATM with the “Depósito Expreso” functionality before 7:00 p.m. on a business day, it is understood that the deposit was made that same date. However, if you make a deposit by check after 7:00 p.m., on a Saturday or any other non-business day, it is understood that the deposit was made the next business day. Check deposits made before 7:00 p.m. in an ATM with “Depósito Expreso”, will be processed as transactions made the same day. Deposits made after 7:00 p.m. in an ATM with “Depósito Expreso”, will be processed the next business day. The availability of these deposits is subject to the dispositions contained in this section of the Agreement.
4. **ATH Móvil/ATH Móvil Business**-If you receive a transfer in your Account through ATH Móvil/ATH Móvil Business before 3:00 p.m. on a business day, it is understood that the transfer was made that same date. However, if you receive a transfer after 3:00 p.m., on a Saturday or any other non-business day, it is understood that the transfer was made the next business day. Transfers received before 3:00 p.m. through ATH Móvil/ATH Móvil Business will be processed as transactions made the same day. Transfers received after 3:00 p.m. through ATH Móvil/ATH Móvil Business, will be processed the next working day and will not be considered for transactions processed that day. The availability of these deposits is subject to the dispositions contained in this Agreement. For additional information, refer to part I, section D (21. Order for processing transactions) included in this Agreement.

The delay period varies according to the type of deposit, as explained later in this Agreement.

**C. Same day availability**

Funds deposited through electronic funds transfers, such as social security benefits, payroll payments and other electronic direct deposits will be available on the same business day the deposit is effective.

**D. Next Day Availability**

Funds from the following deposits will be available on the first business day after the day of deposit.

1. Cash
2. Wire Transfers
3. Checks drawn from FirstBank accounts
4. United States Treasury Checks
5. Checks from the Federal Reserve Bank, Federal Home Loan Bank and Postal Money Orders
6. State and local government checks, manager’s checks, and Travelers Checks.

To have next day availability, these items must be payable to you, deposited in person and separately with a restricted deposit slip available at your branch. You must include only these checks with a restricted deposit slip and use a regular deposit slip for all other items. For deposits at ATMs, you must indicate on the deposit envelope that special/next day availability deposit slip items are enclosed.

## E. Availability of Deposit of Other Check

To find out when funds from other check deposits will be available, refer to the first four digits of the routing number on the check, as shown in the following diagrams.

### Personal Check

**JUAN DEL PUEBLO** CHECK 000001  
 CALLE SAN JUAN 101-7147  
 SAN JUAN PR 00926 P.O. BOX 1234 2216  
 PR. (787) 123-4567  
 PAY TO THE ORDER OF \_\_\_\_\_ \$ \_\_\_\_\_ DOLLARS  
 First Bank  
 SAN JUAN BRANCH  
 MICR: ⑆ 123456789⑆ 123456789 ⑆000001⑆ SIGNATURE

Routing Number

### Commercial Check

**NAME OF COMPANY** CHECK 000001  
 P.O. BOX 987654 101-7147  
 SAN JUAN PR 00926-1234 P.O. BOX 1234 2216  
 PR. (787) 123-4567  
 PAY TO THE ORDER OF \_\_\_\_\_ \$ \_\_\_\_\_ DOLLARS  
 First Bank  
 SAN JUAN BRANCH  
 MICR: ⑆000001⑆ 123456789⑆ 123456789⑆ SIGNATURE

Routing Number

Once you have determined the first four digits of the routing number (1234 in the example, lower left), the chart below will show you when funds from said check will be available.

First Four Digits of the Check Route Number	Funds Availability	Availability of Remaining Funds if Deposit was Made on Monday
0215, 0216, 2215 and 2216	\$225 the next business day after the deposit.	Tuesday
	Remaining funds will be available for check payments on the second business day after the deposit or, up to \$450 of the same deposit shall be available for cash withdrawal no later than 5:00 p.m.	Wednesday
	Any remaining funds will be available for cash withdrawals on the third business day after the deposit.	Thursday
All Other Routing Numbers	\$225 the next business day after the deposit.	Tuesday
	Remaining funds will be available for check payments on the second business day after the deposit or, up to \$450 of the same deposit shall be available for cash withdrawal no later than 5:00 p.m.	Wednesday
	Any remaining funds will be available for cash withdrawals on the fourth business day after the deposit.	Friday

If you deposit two or more categories of checks, \$225 from the total of checks deposited will be available on the first business day after the day of your deposit, not \$225 from each category of check.

## **F. Major Delays that May Apply**

1. Funds deposited by check to your Account may be delayed for a longer period under the following circumstances:
  - a. Deposits of one or more checks that aggregate total more than \$5,525 in the same day.
  - b. If we believe that a check you deposited in your Account may not be paid.
  - c. If you redeposit a check that has been previously returned unpaid.
  - d. If you have repeatedly overdrawn your Account in the last six months.
  - e. If there is an emergency such as an earthquake, hurricane, or a failure in the systems or communications equipment.

We will notify you if we delay the availability of funds for any of these reasons, and let you know when the funds will be available. Depending on the type of check you deposit, the funds will usually be available no later than the eighth business day after the deposit date.

2. **New Accounts.** If you are a new customer, the following special rules may apply during the first 30 days from the Account opening.

Funds from direct electronic deposits to your Account will be available the same day we receive the deposit. Cash deposits, wire transfers and the first \$5,525 of certified checks; official bank checks; traveler's checks; US Treasury, Federal Reserve Bank and Federal Home Loan Bank checks; money orders; federal and state government checks deposited during the same day will be available the next business day after the day of deposit if deposits meet certain conditions. For example, the checks must be payable to you (you may have to use a special deposit slip). The excess of \$5,525 will be available on the ninth business day after the day of your deposit. If the deposit of these checks (other than U.S. Treasury checks) is not made in person to one of our employees, the first \$5,525 will not be available until the second business day after the day of deposit.

Funds from all other checks deposited will be available on the eight-business day after the day of deposit.

An Account is not considered a new Account if each customer on the Account has had, within 30 days before the Account is established, another account at the bank for at least 30 calendar days.

3. **Withholding Other Funds - Check Cashing.** If you cash a check drawn against an account from another bank, we will withhold from the balance in your Account the amount of the cashed check. This hold will be for a term not greater than the delay term established in this Agreement according to the type of check you have cashed.

4. **Withholding Other Funds - Other Accounts.** If you deposit a check drawn against another bank, we may make the deposit funds available for immediate withdrawal but delay your ability to withdraw an equivalent amount of funds that you have deposited in another account with us. The funds in the other account would not be available for withdrawal until the term of delay established in this disclosure is fulfilled according to the type of check you have deposited.

#### **G. Other Terms**

FirstBank reserves the right to take appropriate actions, in accordance with the Agreement governing your Account, to recover all funds paid to you or on your behalf from checks or other deposits which are not finally collected.

#### **H. Questions About Our Policy**

You can visit any of our branches during business hours or contact our FirstLine Solutions Center at the address and telephone number provided at the end of this agreement. If the address or telephone number changes, we will notify you in your monthly statement.

### **IV. Electronic Fund Transfers - Regulation E**

As a consumer who uses electronic funds transfer (EFT) services, you have certain rights and responsibilities. These rights and responsibilities are defined by the Electronic Fund Transfer Act ("the Act"), 15 U.S.C. 1693, et seq., and Regulation E of the Federal Reserve Board ("the Regulation"). One requirement of the Act and the Regulation is that all financial institutions comply with the requirement of making certain disclosures to all EFT users. **Applicable only to Individual Accounts.**

If you use any of the EFT services referred to below, please read the corresponding sections carefully. Even if you use only one of FirstBank's EFT services, please be sure to read the section entitled General Information.

#### **A. Electronic Banking Services Available**

1. **Telephone Banking Service.** Also referred as Interactive Voice Response (hereinafter referred to as "IVR" technology); generally, includes all the services and/or components of FirstBank's IVR system which, subject to security measures imposed by the Bank, grants access through the customer's telephone so that he/she may choose from a variety of financial services offered by FirstBank, among these: Self-enrollment; Account Information; Bill Payment; Re-order checks; loan payment; request account certification letters, interests, loan payoff balance. The customer must have a device with access to a telephone network, such as a residential, business, or mobile phone with tone or VoIP capacity.
2. **ATM Banking Service.** ATMs allow customers to make transactions outside of branch operating hours. Through the use of Debit Cards and a personal



identification number (PIN), customers can choose from a variety of services or functions at ATMs, such as: withdrawals from their checking or savings accounts; deposits by envelope, electronic deposits of cash and checks; balance inquiries, payments, transfers and donations. You must have access to an ATM that allows you to access the funds in your linked accounts.

3. **Use of Debit Card.** If you have a Debit Card that provides access to your deposit accounts with FirstBank, you may use it for transactions such as:
  - a. Withdrawal
  - b. Deposits
  - c. Purchases through POS
  - d. Fund transfer between the checking and savings portions of your combined Account as defined in this Agreement.
  - e. Payments
  - f. Balance inquiry
  - g. Register in applications authorized by the Bank
  
4. **Services Available in ATM Machines of Other Institutions.** The services we offer include the right to use your Debit Card in our ATM machines, as well as in ATM machines that belong to or are operated by independent operators or other financial institutions that participate in various networks (or "networks") in which FirstBank participates (collectively, the "Networks"). The services available on the Network ATM machines may be more limited than the services available on our ATM machines. However, you could transfer funds between your Checking and Savings Accounts and between portions of your Combined Account on some Network ATM machines.

Any of the participating networks or financial institutions may, from time to time, eliminate or restrict the services described above. In addition, participating financial institutions may charge you for the use of your ATM Network machines.

5. **Unauthorized Transfers.** If you believe that any of your cards has been lost or stolen or someone has transferred or may transfer money from any of your Accounts without your authorization, refer to Section D General Information of this Part, below, for instructions as to what to do.
  
6. **Your Liability.** Notify us immediately if you understand that your Debit Card or your personal identification number (PIN) have been subject to theft or loss or that an unauthorized transaction of one of your Accounts has been made. The best way to control your possible losses is to call our customer service department or visit your branch to provide the necessary information from this part. You could lose all the funds deposited into your Account.
  
7. Subject to the limitations imposed by law and regulation, FirstBank disclaims any additional obligation and/or liability for losses incurred as a result of unauthorized transactions. If you believe any of your Cards or PIN has been

lost or stolen or that an unauthorized transfer has been made from any of the Accounts, and you tell us within two (2) business days after you discover the loss or theft, you will lose no more than \$50 if someone uses that Card without your permission or otherwise makes a transfer without your authorization. If you do not tell us within two (2) business days after you discover the loss or theft of any of your Cards or PIN or that an unauthorized transfer has been made from any of the Accounts, and we can prove we could have stopped someone from using that Card or from otherwise making a transfer without your authorization if you had told us, you could lose as much as \$500.

Furthermore, if your Account statement shows transactions that you did not make nor authorized, notify us at once. If you do not notify us within 60 calendar days after a statement showing such a transfer was transmitted to you, you may not get back any money you lost after the sixty (60) calendar days if we can prove that we could have stopped someone from taking the money if you had told us in time.

8. **Record of Transfers.** You will receive the documentation required for any transaction you make, whether it involves a Debit Card or not, or if it is made at one of our ATMs or at a Network ATM.
9. **Disclosure of Fraud Alerts.** If fraud or other suspicious activities or transactions are suspected to be initiated through your Visa Debit card, we may send you alerts via text message and/or e-mail ("fraud alerts"). If the cardholder recognizes the transaction as legit, he/she will be able to continue using the card as normal. If he/she confirms fraud, we will block the card until we speak to the cardholder.

If you have access to cellular phone text (SMS) messaging through one of the major wireless carriers (AT&T, Boost Mobile, MetroPCS, Sprint, T-Mobile®, Verizon Wireless, Virgin Mobile USA), we may, as permitted by law, send you free fraud alerts via text messaging from short code 30297 to the cellular phone number, or e-mail address, you have registered with us. Carriers are not responsible or liable for delayed or undelivered messages.

Free fraud alerts received by you from short code 30297 as well as any text reply you may send to these alerts, are Free-to-End-User (FTEU). This means that if you receive or reply to a text message, you will not be charged a messaging fee from your carrier. However, data rates may apply depending on your cellular carrier plan. You are responsible for any data rates imposed by your cellular carrier of any kind whatsoever.

Fraud alerts are provided as a convenience to you and/or for added security. We make every effort to ensure that this service is provided without interruption, but we reserve the right, in our sole discretion, without any obligation and without any notice requirement, to change, improve or correct fraud alerts and to suspend fraud alerts for scheduled or unscheduled maintenance, upgrades, improvements or corrections. We are not responsible or liable for any failure to send, or any delay in sending, any alerts or for any

failure or delay in your receipt of an alert. We cannot and do not guarantee the delivery, accuracy, validity, timeliness or completeness of the contents of any alert. Please remember that you are responsible for frequently reviewing your Account activity and you agree that you will not rely exclusively on receiving alerts from us to monitor your card.

Neither FirstBank, nor any of its affiliates, parent company, subsidiaries, their respective directors, officers or employees, or any third party supplier, will be liable or have any type of responsibility for any loss or damage incurred in the event of any failure or interruption of our alerts, or as a result of the action or omission of any other party involved in sending alerts or for any other cause related to your access, inability to access or use of the alerts, regardless of the circumstances that give rise to such cause may or may not have been under our control or of any supplier that provides software or services. In no case, neither we nor any of those parties will be liable to you, whether by contract or tort, for direct, special, indirect, consequential or incidental damages or any other damages of any kind, even if we or any other party has been informed of the possibility of that. This limitation of liability includes, but is not limited to, the transmission of any viruses that may infect a user's equipment, failure of mechanical or electronic equipment or communication lines, telephone problems or other interconnection problems, unauthorized access, theft, operator errors, strikes or other labor problems or any major force.

Fraud alerts are optional and will be sent automatically unless you instruct us not to send them ("opt out").

You can opt out of our free fraud alert messages by replying STOP to a text message or by contacting our FirstLine Solutions Center at (787) 725-2511, 1(866) 695-2511 (toll-free), or 1 (284) 495-8899 for BVI customers. If you have questions regarding an alert you received, please reply to the text with the word HELP or contact our FirstLine Solutions Center.

We may discontinue any alerts at any time without prior notice to you, subject to applicable law.

## **B. Automatic Payments (Electronic Fund Transfers and Pre-Authorized Transfers)**

This section will apply if you have coordinated making certain automatic payments from one of your Accounts, for example, insurance premiums, or making pre-authorized transfers into an account, such as Social Security benefits, including automated payments using the Bill Payment FirstBank Service. The term "FirstBank Payment by Phone" used in this contract has the same meaning as the term "Telepayment FirstBank Service" mentioned in the "Your Digital Banking" contract.

1. **FirstBank Payment Services.** Through this service, you request the Bank to debit from your Account a certain amount designated by you, for the processing of automatic payments to creditors designated by you. FirstBank

Payment Service is available through our Digital Banking service, provided you are subscribed to this service, or as Pay by Phone by calling our FirstLine Solution Center. All payment made through FirstBank Payment Service before 5:00 p.m. of any Business Day will be reflected in your Account the same day as when the transaction was conducted. Transactions conducted after 5:00 p.m. during any Business Day or made on a Saturday, Sunday or bank holiday, will be reflected in your Account on the next Business Day. Please refer to the Additional General Terms and Conditions that apply to the Bill Payment FirstBank Service contained in this Agreement.

2. **Your Right to Stop a Payment.** If you have arranged in advance to make regular payments from your Account, you can stop any of these payments. Here is how:

Call or write to our FirstLine Solution Center so that the Bank receives your request at least three (3) business days before the payment is scheduled. The **FirstLine Solution Center** telephone number and our address appear at the end of this Agreement and on your monthly statement. When you call us, we may also require you to submit your request in writing within fourteen (14) calendar days of your call. The fee for each order of suspension will be the one that applies at the time the suspension is requested, as established in the Rates and Fees Schedule and in any other schedule and/or document provided by us.

If you suspend a pre-authorized payment to another party, the Bank will not make additional automatic payments to that party until you provide us a new authorization or request in writing to resume payments.

3. **Responsibility for not suspending the Payment of a Preauthorized Transfer by You.** If you order the Bank to suspend one of these payments at least three (3) business days before the date the transfer is scheduled and the Bank does not suspend it, the Bank will be liable to you for the losses or damages established by the law. The Bank will not be liable for such losses or damages when you do not order the suspension of payments with the anticipation established in this paragraph.
4. **How to Verify Transfers to an Account.** If you have arranged for the same person or company to make direct deposits to one or more accounts at least once every 60 days, you can call us at the phone number of our FirstLine Solutions Center that appears at the end of this Agreement and on your monthly statements (in cases of accounts with account statements) to know if the deposit was made. In addition, you can verify your balance in the Account through telephone banking, ATM machines if you have a Debit Card, or through our online through our Digital Banking service, if you are subscribed to it.

## C. Additional Terms and Conditions Applicable to FirstBank Electronic Payment Service

1. **Payments.** The Pay by Phone and Digital Banking Payments services allow you to use your checking or savings account from FirstBank or other banking institutions to pay FirstBank loans. When you use the service, you authorize the Bank to follow the payment instructions established under this Agreement, as required by you. When you initiate a payment, you authorize the Bank to debit your Account. You must always maintain enough funds to cover payments that will be debited from your designated Account under the service. To cancel Pay by Phone payments:
  - a. Contact the FirstLine Solutions Center
  - b. You can cancel payments made on the same day before 5:00 p.m. on working days.
  - c. The reason for the cancellation could affect the effectiveness of the request
  
2. **Bill Payment.** This service allows you to use your checking account to make bill payments to businesses or other creditors. When you use the Bill Payment service you authorize FirstBank to follow the payment instructions allowed under this Agreement, as required by you.

The creditor is selected from the list provided by the Bank. In addition, you can register a creditor by specifying your Account number with the creditor and any other information we may require.

When you initiate a payment, you authorize the Bank to debit from your Account on a specific day, provided by you in the transaction, and issue the funds to the creditor in your name. You must always keep enough funds to cover payments that are going to be debited from your designated Account under the service.

- a. **Payment Instructions.** The Bank will begin to process the payment instructions between two and three business days before the date designated as the payment date, depending on the payment. It is your responsibility to coordinate the payments so that they are made on time and that the creditor receives the payment no later than the due date.

In case of payments to other institutions, you must give instructions or designate a date at least seven working days before the due date of the payment, not including the grace days, otherwise, the Bank will not be responsible or guarantee that payment can be processed, transferred or sent before the due date.

FirstBank will not be liable for late fees or any type of penalty imposed by the creditor, nor for damages or inconveniences of any nature suffered by you as a result of payments made after the due date, if such delay in payment is attributable to a late notification from you. Or for delays in the delivery and processing of payments due to the Postal

Service. FirstBank will only be liable for late charges if the payment has been coordinated as indicated in this Agreement and FirstBank's actions resulted in non-compliance with this Agreement.

There are three types of payments:

- i. **Non-Recurring Payment.** Onetime payment that will be debited from your Account on the same date you made the transaction. You must give us the exact amount instruction each time you access the Pay by Phone service.
- ii. **Recurring Payment.** You can select the frequency of the payment (weekly, every two weeks, monthly, twice a month, quarterly, annually) and specify the total of payments to be made. These payments must be for the same amount.
- iii. **Future Payments.** Onetime payment to be made in the near future. You must inform us the exact amount and the specific date.

You can request that a payment be sent only once or automatically on a recurring basis. We reserve the right to limit the frequency and dollar amount of transactions from your Account. You acknowledge that some payments may vary during the time in which the Bill Payment FirstBank Service is in effect. It is your obligation to notify us if there is a change in the fixed payment amount, frequency or account number with the creditor. The notification of the change must be made within 10 days before the effective day of the payment, so that the adjustment is processed before the date designated to process the payment. The payment adjustment will not be effective until the Bank receives and processes the change notification. The Bank will not be responsible for discrepancies in the fixed payments made before receiving and processing the change notification described above.

Recurring payments that occur on weekends or federal holidays will be processed the next business day after the weekend or legal public holidays.

- b. **Payment Method.** FirstBank reserves the right to select the payment method in which the funds will be issued by you to the merchant. These payment methods may include, but are not limited to, electronic payment or personal check payment from your Account (funds issued to the merchant are deducted from your personal Account when the check is presented to the financial institution).

When using the electronic payment method, FirstBank will debit your Account within 24 hours of receiving your payment instructions or whenever FirstBank deems appropriate to complete the payment according to your instructions.

- c. **Payment Limitations and Payment History.** For security reasons, FirstBank may limit the monetary amount or number of transactions allowed in FirstBank Pay by Phone. You will be able to see all the

payments that have been processed individually. The system will keep track of all payments made by you for the past twelve (12) months.

- d. **Payments Not Allowed.** You agree not to use FirstBank's Bill Payment service to make tax contribution payments, or make payments related to court orders. You agree that if you attempt to make payments for taxes or court-ordered payments, FirstBank will not be responsible for such payment. The Bill Payment guarantee that applies in relation to any late payment charge is voided when any of these types of payments are processed or scheduled in the service.
- e. **Payment Cancellation.** To cancel a payment, you must enter the Digital Banking service and follow the instructions provided on the Payment service screens. The option to cancel a payment is in the "Payment Center" section within Digital Banking. Payments with future dates may be canceled before 5:00 p.m. of the third business day before the date scheduled for delivery.
  - i. **Alternate Method.** The easiest and most convenient way to cancel a payment is through the method described above. However, you may request to cancel a scheduled or recurring payment by calling us at FirstLine Solution Center.

We must receive your request at least three (3) business days before the payment is scheduled for processing. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. If you call or write to cancel a payment that is pending, you will be charged for a stop payment fee in accordance with the Agreement. If you attempt to cancel a payment in accordance with the above instructions and we do not do so, FirstBank will be liable for your losses or damages.

- b. **Limitation of Liability.** FirstBank will not be responsible for incorrect information or instructions provided by you. In addition, the Bank will not be liable for payments returned by the creditor. In that case, the Bank responsibility will be limited to: 1) reversing the debit corresponding to the payment rejected on the same day that the rejected payment notification is received at the Bank and 2) notifying you, on the next business day that such notification is received, that the payment has been rejected by the creditor.

FirstBank will not be responsible for not completing the payment initiated by you in the following situations, and as a result, you will be responsible for losses, charges or penalties incurred:

- i. If for any reason not attributable to the Bank, you do not have
- ii. enough funds in your Account to make the payment (the payment may be declined if you do not have sufficient funds to cover it).
- iii. The Electronic Payment service is not working properly, and you are aware or have been advised by FirstBank about the malfunction before you execute the transaction.
- iv. You have not provided FirstBank with the correct payment

information, or the correct name, address, phone number, or account information of the creditor; and/or

- v. Circumstances beyond our control, such as fire or flood, impede the transfer, despite reasonable precautions taken by the Bank.

The list of examples described above is intended to illustrate circumstances under which we would not be responsible for not making a transfer, without it being understood that it includes all the circumstances in which we would not be responsible.

#### **D. General Information**

1. **Disclosure of Account Information.** It is our general policy to treat your Account information with strict confidentiality. In most cases, we require a subpoena, summons, search warrant, court order, or your authorization before disclosing information to third parties about your Accounts or transfers made by you. However, we may exchange information with our affiliates, and we may disclose such information in connection with your transactions and in other circumstances we deem necessary and appropriate. For more information, refer to the Privacy Policy provided at the opening of the Account.
2. **Our Liability for Not Making Transfers.** If the Bank do not complete a transfer to or from an Account on time or for the correct amount as agreed with you, we will be liable for such damages as provided by law. However, there are exceptions. The Bank will not be liable in situations such as:
  - a. If, through no fault of ours, you do not have enough money in the Account to make the transfer.
  - b. If the transfer causes you to exceed the credit limit on any overdraft line you may have.
  - c. If the ATM where you are making a withdrawal does not have enough cash.
  - d. If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
  - e. If other agreements between us, such as your Line of Reserve agreement, provide other exceptions.

The list of examples described above is intended to illustrate circumstances under which we would not be responsible for not making a transfer without it being understood that it includes all the circumstances in which we would not be responsible.

#### **3. Documents**

- a. **Periodic Statements.** You will receive a monthly account statement for each Account to which funds have been credited or from which transfers have been made. It will show all transfers to or from that Account.



- b. **Transactions Made at ATMs.** The Bank will provide you a record of each transaction to or from your Account at the time you make these transactions through our ATMs. It will be the responsibility of the owner or operator of any Network ATM to provide such a record to you when the transaction takes place on a Network ATM machine.
4. **In case of errors or doubts about your electronic transfers.** If you think that your Account statement or transfer record is incorrect or if you need more information about them, call our FirstLine Solutions Center or write to us as soon as possible. The telephone number of our FirstLine Solutions Center and our address appear at the end of this Agreement and on your monthly account statement.

You must communicate your claim to the Bank no later than sixty (60) days after we send you the account statement in which the problem or error first appeared.

- a. Include your name and the account number subject to the error or problem.
- b. Describe the error or the transfer in question and explain as clearly as possible the reason why you think there is an error or why you need more information.
- c. Tell us the dollar amount of the possible error.

If you claim us in person or by telephone, we may require that you send us your complaint or question in writing within ten (10) business days. We will give you the results of our investigation within ten (10) business days from the date of your claim or question and will correct any error promptly. However, if we need more time, we may take up to forty-five (45) calendar days to investigate your complaint or question. If we do the latter, we will credit the Account subject to the error within ten (10) business days for the amount that you think is incorrect, so that you can dispose of the money during the time it takes us to complete our investigation. Such crediting is referred to as a "provisional credit".

If the transaction that you believe to be in error occurred in connection with the use of your Debit Card at a point-of-sale (POS) terminal, within thirty (30) after the first deposit was made to your Account, then we could take up to twenty (20) business days to investigate your claim. If we do the latter, we will make a provisional credit to the Account within twenty (20) business days of receiving your written claim. If we need additional time to do the investigation and the error occurred outside of a state, territory or possession of the United States, we could take up to ninety (90) days to complete our investigation.

If you submit your claim after 60 days of us sending you the account statement in which the problem or error first appeared, you may be liable for some part of your claim.

If we determine that there was no error, we will send you a written explanation within three (3) business days of completing our investigation. If we made the provisional credit to your Account and determine that there was no error, we may reverse the amount of that credit. If we find that the error did occur, we will correct it within one (1) business day from that determination and any provisional credit made as a result of your claim will then remain in your Account.

Your responsibility for possible errors or losses regarding transactions related to Network ATMs is the same as for transactions related to one of our ATM machines. In case of errors or doubts related to your electronic transfers made in a Network ATM, you must contact us in the same way that you would do regarding errors or doubts related to transfers made in one of our ATM machines.

5. **How to Contact the Bank Regarding Lost or Stolen Debit Card(s), PIN or Unauthorized Transaction.** If you suspect your Debit Card(s) and/or PIN have been lost or stolen, or that someone has transferred or could transferred money from any of your Account without your authorization, call our FirstLine Solution Center or write to us immediately. The telephone number for our FirstLine Solution Center and our address appear at the end of this Agreement and on your monthly statement.

#### **E. Security Guidelines for the Use Telephone Banking**

1. User selection. When enrolling, you can select a user number, from six (6) to ten (10) digits to obtain automated access to information and assistance from a FirstLine Solutions Center representative.
2. PIN Requirements. The password will consist exclusively of four (4) digits selected by you at enrollment. These digits should not be the same as the ones used by you on your Debit Cards.
3. We recommend that you change your password regularly. If you forget your password or want to change it, you can contact the FirstLine Solution Center.
4. Telephone Banking logs off automatically when you end the call.
5. After three (3) failed attempts to enter the password, the system will lock it automatically. The only way to recover your access will be through a FirstLine Solutions Center Customer Service Representative.

#### **F. Security Guidelines for the Use of AMTs and Protection of Debit Cards**

You must be careful when using your card. The following suggestions can help you use your card with confidence and security.

1. Memorize your PIN and keep it confidential. Do not write the PIN on your card or carry it with you. No FirstBank employee will ask you to disclose your PIN, so remember: Never give your PIN to anyone.
2. Do not give any information about your Debit Card number, expiration date, account number or balance to anyone who communicates with you by phone, email, text message or any other channel, and asks for such information.

3. Make sure no one around you can see your PIN while making point of sale (POS) and ATM transactions. If the transaction was not completed, be sure to cancel it before leaving from the POS or ATM.
4. Before you arrive at an ATM, have your card ready and be aware of your surroundings. If you are concerned about your safety, make complete the transaction(s) at another time. If someone approaches you and asks you to withdraw money, or follows you after leaving the ATM, immediately move to a safe area and call the local police. Remember to remove your card from the ATM and put store your cash in a secure place after completing your transaction(s). Activities at FirstBank ATMs may be recorded by surveillance cameras.
5. If you have any complaints or comments regarding FirstBank ATMs, please contact FirstLine Solutions Center at (787)725-2511, toll free at 1 (866) 695-2511, or 1 (284) 495-8899 (USVI and BVI).

#### **V. Unlawful Internet Gambling Enforcement Act (UIGEA) - Regulation GG**

All financial institutions are required to comply with the Unlawful Internet Gambling Enforcement Act (UIGEA). The purpose of the Act is to prohibit transactions related to Unlawful Internet Gambling (UIG) through commercial accounts.

Unlawful Internet Gambling is defined as placing, receiving, or otherwise knowingly transmitting a bet or wager by any means which involves the use, at least in part, of the Internet where such bet or wager is unlawful under any applicable Federal or State law in which the bet or wager is initiated, received or otherwise made.

The act establishes that commercial customer shall not engage in transactions related with UIG. Among the transactions prohibited there are:

1. Credit or the proceeds of credit extended, related to UIG.
2. An electronic funds transfer, or funds transmitted by or through a money transmitting business or the proceeds of an electronic funds transfer or money transmitting service, related to UIG.
3. Any check, draft or similar instrument that is drawn by or on behalf any person related to UIG.

#### **VI. USA Patriot Act, Bank Secrecy Act, Anti-Money Laundering Act**

All financial institutions are required to comply with the record keeping of the information that identifies all persons who open accounts and reporting requirements set forth in the Bank Secrecy Act and related laws and regulations. The purpose is to prohibit and actively pursue the prevention of money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities.

#### **VII. Office of Foreign Assets Control (OFAC)**

Division of the Department of the US Treasury that administers and implements sanctions to the enemies and other persons of interest for the United States.

OFAC publishes a list with information of Designated Persons or Countries with economic sanctions including: countries with a government structure engaged in activities related to the production and proliferation of weapons of mass destruction; specifically “designated” persons such as international terrorists, drug traffickers and organizations that may represent a threat to the security, economy, and safety of the United States.

All financial institution are required to filter, against the OFAC list, the name of future clients or beneficiaries of transactions (including individuals, company names, corporations, etc.) in transactions including, but not limited to: wire transfers, ACH, checks cashed in favor of a third party non-customers of FirstBank, account opening and other transactions, regardless of the amount of the transaction.

This means that if FirstBank obtains a partial or total match with a name on the OFAC list, FirstBank will require additional information to rule out its inclusion in the OFAC List prior to being allowed to proceed with the transaction, reject the transaction, or block the funds subject to the transaction. Furthermore, if the transaction involves or requires the participation of another financial institution, the possibility exists that the other financial institution requests additional information if they determine that a possible match also exists and FirstBank will obtain the information that had been requested.

## **A. Online Wire Transfer Origination and International Electronic Funds Transfer Services**

### **1. Introduction**

If requested by Customer and agreed to by FirstBank, Customer may initiate domestic and international wire through FirstBank’s System or through other methods determine by FirstBank. FirstBank may accept and process any and all Wire Transfer Requests that have been initiated in compliance with the applicable Security Procedures.

Customer agrees to submit Wire Transfer Requests to FirstBank in accordance with the terms and conditions of this Agreement. In all other respects the terms and conditions of Customer’s deposit account agreement(s) with FirstBank regarding the Customer designated account(s) that are subject to this Agreement will supplement this Agreement and apply to any such Request. If there is a conflict between such deposit account agreement(s) and this Agreement, this Agreement shall control with respect to Wire Transfers.

In connection with Customer’s use of this service, Bank notifies Customer of the following: (i) Bank may use Fedwire (as defined below) when acting upon Customer’s Request; (ii) Any subsequent bank may use Fedwire when carrying out Customer’s Request; (iii) The rights and obligations of Bank and Customer in a Wire Transfer intended to carry out Customer’s Request, any part of which is carried out through the use of Fedwire, are governed by Fedwire Regulation.

## 2. **Applicable Law**

FirstBank sends outgoing and receives incoming Wire Transfers through Fedwire (the funds transfer system owned and operated by the Federal Reserve Banks or other provider). All funds transfers are governed by this Agreement, Subpart B of Regulation J of the Federal Reserve Board, USA Patriot Act, Bank Secrecy Act, Anti-Money Laundering Act, Office of Foreign Assets Control (OFAC) regulations, and all other applicable federal, state and local laws and regulations. Customer agrees not to initiate or receive a Wire Transfer payment order in violation of any applicable federal, state or local law.

## 3. **Additional Security Procedures**

Customer and FirstBank shall agree to use security procedures as may be established by Bank regarding Wire Transfer Services, including, if Bank deems it appropriate under the circumstances, the implementation of a dual control environment in Customer's business operations related to Wire Transfer authorizations and confirmations.

Customer agrees to be bound by any Wire Transfer instruction and payment order sent in the name of Customer that is processed by Bank in compliance with the agreed security procedures whether or not such instruction or payment order was actually authorized by Customer. If Bank reasonably deems that changes in security procedures are immediately necessary to reduce the risk of an unauthorized funds transfer, Bank may initiate such changes immediately and give notice to Customer as soon as practicable. Customer and its Authorized Users shall maintain the highest possible level of confidentiality regarding security codes, test code procedures, tokens, other security devices and other aspects of these security procedures and will take all steps necessary to prevent access to them by unauthorized persons.

## 4. **Routing/Time Deadlines**

Bank may use means and routes that Bank thinks in its own discretion are suitable for each outgoing Wire Transfer. Bank will establish from time to time a specific time of day after which Bank will not accept an incoming Wire Transfer payment order to be processed on the day of receipt. Payment orders received after Bank's established cutoff time or on any non-Business Day, including any Saturday, Sunday, holiday or any day that Bank's wire department is not open, will be considered received on the next Business Day.

## 5. **Wire Transfer Payment Orders**

Customer may communicate a Wire Transfer payment order to Bank by the means and manner agreed to between the parties.

Customer will supply to Bank any information Bank may reasonably request regarding any Wire Transfer payment order initiated by Customer, including,

without limitation, money amounts, affected Accounts, dates of transfer, the beneficiary's name, account number, purpose, physical address, the name and routing number of the beneficiary's financial institution, such additional information as Bank may reasonably request and, if necessary, further evidence of any Authorized User's authority to transfer funds or to do any other act contemplated by this Service.

In submitting any System Wire Transfer payment order, Customer shall be responsible for providing all information required by Bank. Customer bears sole and exclusive responsibility to verify that the information set forth in such order submitted to Bank is authentic and accurate. The Services hereunder are only designed to respond to information provided by Customer. Accordingly, any inaccuracy in any information provided by Customer may result in unintended processing by Bank. Bank bears no responsibility for detecting or reporting any error in data supplied by Customer and shall not be liable to Customer for any information provided by Customer with respect to a Wire Transfer payment order which is inaccurate, incomplete or otherwise incorrect.

Customer authorizes Bank to execute and charge Customer's Account(s) with Bank for Wire Transfer payment orders delivered to Bank in accordance with this Agreement. Bank has no obligation to execute a Wire Transfer payment order if Customer's Account to be charged has insufficient collected and available funds to cover the Wire Transfer payment order and the applicable fees and charges.

The order in which Bank processes Wire Transfer payment orders is determined solely by Bank. Customer does not have the right to reverse, adjust or revoke any Wire Transfer payment order after it has been received by Bank, provided, however, that Bank will make a reasonable effort to act on such a request by Customer. With respect to a Wire Transfer payment order already transmitted to the beneficiary's financial institution, Bank shall, at Customer's request, request the financial institution to return funds previously transferred. Customer understands that the receiving institution is under no legal obligation to comply with this request.

Bank may reject a Wire Transfer payment order from Customer (i) if such Wire Transfer payment order is not initiated in accordance with the applicable security procedures, (ii) if there is any inconsistency between a Wire Transfer payment order and information previously supplied to Bank, (iii) if Bank is unable to obtain confirmation of such Wire Transfer payment order satisfactory to Bank, (iv) if there are insufficient collected funds in Customer's specified Account to fund the Wire Transfer payment order, (v) if Customer fails to provide descriptive purpose of Wire Transfer, (vi) if Customer fails to provide Beneficiary party physical address or (vii) if Bank has other reasonable grounds not to honor the Wire Transfer payment order. Bank may also reject an incoming Wire Transfer payment order if it has reasonable grounds, at Bank's discretion, to do so.

## **6. Repetitive Wire Transfer Payment Orders**

Customer may initiate a repetitive Wire Transfer payment order, which is one where the Customer pre-programs the beneficiary, the beneficiary's financial institution, and the Accounts to be debited and credited and such information remains constant for subsequent Wire Transfer payment orders.

Customer shall provide Bank with the necessary information to execute the repetitive Wire Transfer payment order, including, without limitation, the dollar amount to be transferred or the desired post-transfer remaining Account balance, the frequency of the order and the day of week or month when the Wire Transfer payment order is to be executed.

Customer is responsible for submitting to FirstBank the information required to maintain Wire Transfer templates located within the System including addition, modification and deletion of Wire Transfer templates. Customer may terminate a repetitive Wire Transfer payment order initiated, at any time, upon receipt by Bank of a written termination notice from Customer and reasonable time for Bank to act on such notice.

## **7. Confirmation of Outgoing Wire Transfers**

FirstBank may require confirmation of Wire Transfer payment orders. Customer and Bank shall agree to the method of confirming Wire Transfer payment orders received from Customer. Customer shall designate Authorized Users to confirm Wire Transfer payment orders. Bank recommends a minimum of three potential Authorized Users to confirm Wire Transfer payment orders and that Authorized Users serve as an initiator or a confirmer, but not both. Customer may change the Authorized Users appointed under this Agreement.

FirstBank advises Customer not to waive confirmation. If Customer, however, chooses to waive confirmation, Customer agrees to be liable for all outgoing payment orders, except those Wire Transfer payment orders where (i) Customer is able to conclusively prove that the unauthorized transfer could not have been prevented by the use of confirmation procedures; (ii) Bank is unable to produce any evidence that the unauthorized transfer could have been prevented by the use of confirmation procedures; and (iii) Customer is not otherwise liable for the transfer under this Agreement, or applicable law. Customer acknowledges that not using confirmation procedures substantially increases the Customer's risk of liability for an unauthorized Wire Transfer.

The confirmation of Wire Transfer payment orders initiated by Customer through the System shall be verified and approved by Customer prior to their transmission to Bank. All System Wire Transfer payment orders shall be initiated in accordance with the security procedures established for the System.

## **8. Wire Transfer Notifications**

Wire Transfer Notifications to Customer for outgoing Wire Transfer, incoming Wire Transfers, or Wire Transfer payment order rejections will be done through the System or by telephone.

## **9. International Wire Transfers**

Wire Transfers across country borders are customarily done by Bank through a correspondent. Any fee, commission or charges assessed by the correspondent shall be passed on to the Customer. Payments of Wire Transfers in a foreign country are subject to the laws of the foreign country involved. Bank assumes no liability for delays, non-delivery or other events resulting from causes beyond Bank's control. In refunding unexecuted Wire Transfer payment orders, Bank shall be liable to Customer only to the extent it receives payment from the correspondent financial institution processing the Wire Transfer. Cancellation of a Wire Transfer involving other than domestic currency is subject to any rate exchange loss as determined by Bank. Customer agrees to settle any canceled Wire Transfer payment order to Bank at the then current applicable foreign currency buy rate. Customer agrees and acknowledges that transactions in certain countries are prohibited by law. FirstBank shall not be liable for any penalties, fines, losses, damages or any cost or expense associated to transactions performed to or from such prohibited countries or for incomplete transaction.

## **10. OFAC Block and Rejection**

If FirstBank obtains a partial or total match with a name on the OFAC lists, FirstBank will require additional information to rule out the prospective client's name inclusion in the OFAC Lists prior to proceeding with the transaction. If the prospective client's name is confirmed to be on the OFAC lists, then the transaction will be rejected or the funds blocked, depending on the nature of the transaction.

## **VIII. Information Disclosure – OCIF 7900**

In accordance with Regulation 7900, signed on July 30, 2010 and issued by the Office of the Commissioner of Financial Institutions under Act No. 206 of August 9, 2008, we have a Protocol on Prevention and Detection of Potential Financial Exploitation of the Elderly or Disabled.

As part of this Protocol we may disclose the following: name, address, information of others involved on your behalf or in any other capacity as guardians during the opening of accounts or loan originations, and evidence of the transactions pattern. Such information will only be disclosed to the appropriate government agencies, in a possible case of financial exploitation.



## **IX. Direct Dispute Notice**

Under the amendment to the Fair Credit Report Act, effective July 1, 2010 you may submit a claim related to information contained in your Consumer Report directly to the Institution where you own any consumer relationship. This notice applies to all accounts you have with FirstBank.

The Institution must conduct a reasonable investigation of any claim you submit in writing, if it is related to:

1. Responsibility for a credit account or other debts to the Institution, such as disputes relating to whether you are a victim of identity theft or fraud; or, if the responsibility for an account is individual or shared; or, if you are an authorized user of a credit account;
2. The terms of a credit account or other debts to the Institution, for example, claims related to the type of account; the principal balance; the amount of scheduled payments to your Account; or the amount of the credit limit on a revolving account.
3. The behavior or performance of the client regarding his Account or other relationship with the Institution, such as: current status of payments, incorrect account balances, date of payments, the amount of payments made, or inconsistency with the date of account opening or account cancellation.
4. Other information contained in your Credit Report or Consumer Report on an account or other relationship with the Institution that may affect the creditworthiness, credit capacity, character, general reputation, personal characteristics, or lifestyle.

### **Exceptions**

Under to the Fair Credit Reporting Act the Institution will not have to investigate and solve the direct claims related to:

1. Identifying information, such as name, date of birth, social security number, telephone number, and address.
2. The identity of present or past employers.
3. Credit report inquiries.
4. Information obtained from public records, such as judgments, bankruptcies, liens and other legal matters (unless part of an account or other relationship with the Institution);
5. Information regarding fraud alerts or active duty alerts; or,
6. Information provided to a credit and/or consumer reporting agency by another institution.
7. In cases that the Institution understands that the claim was filed on behalf of the client by a company or organization of credit repair; or
8. Where the Institution has reasonably determined that the dispute is frivolous or irrelevant.

## **Claim Content**

When submitting your claim, it must contain the following:

1. Enough information to identify the Account or other relationship that is in dispute, including your account number, name, address and telephone number, if applicable.
2. Specific information of what is claimed and an explanation of the reason of your claim.
3. All the documentation that supports your allegations or any other necessary information required by the Institution. This documentation may include copy of the relevant section pertinent of your Credit Report that is the basis for your claim and/or includes incorrect information, a complaint by the Police Department of Puerto Rico, the affidavit of identity theft or fraud, this being your claim, evidence of payments made, and copies of your account statements, among other documents you wish to submit to support your claim.

If you have a deposit account with our Institution, we are obligated to investigate your claim only if you send it to the address listed below:

FirstBank  
Customer Experience & Problem Resolution (307)  
PO Box 9146  
San Juan PR 00908-0146

## **Investigation and Results**

After receiving your direct claim, the institution shall:

1. Conduct a reasonable investigation regarding to the disputed information;
2. Review all relevant information provided by you with the notification of the dispute;
3. Complete the investigation of the dispute and inform you the result before the end of the period of 30 days from the date your claim was received; and
4. If the investigation concludes that the information reported is incorrect, the Institution shall notify the result to each one of the Credit Reporting Agencies and Consumer Reporting Agencies to which incorrect information was provided.
5. Similarly, the Institution shall notify such agencies the necessary corrections to the information reported by the Institution, so this is accurate and correct.

## **Eventuality of Disruption of Operations**

FirstBank Puerto Rico is committed to providing an excellence and highest level of uninterrupted service and support to our customers. However, we recognize the potential of certain uncontrollable events that could cause varying degrees of disruption to our normal business processes. These could be an event such as a severe storm that adversely affects the ability of our staff to report to work, or an event such as an electrical blackout that affects an entire region or a manmade disaster in which, such occurrences are outside the Bank's control. In every case, FirstBank Puerto Rico will act in a diligent and committed manner in support of the prompt re-establishment of client's services, in compliance with the established policies and procedures in case of such eventualities.

**FirstBank Puerto Rico  
Customer Experience and Problem Resolution (307)  
PO Box 9146 San Juan PR 00908-0146**

**FirstLine Solution Center  
(787) 725-2511  
1(866) 695-2511 (toll-free)**

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