

Type of Application

**Information of the Account to be Paid through the Direct Payment Service**

Mortgage Loan Number ("Loan")	Monthly Payment Amount	Borrower Name
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Deposit Account Information**

Account Owner Name/Depositor	Institution Name	
<input type="text"/>	<input type="text"/>	
Route and Transit Number	Account Number	Account Type
<input type="text"/>	<input type="text"/>	<input type="checkbox"/> Checking <input type="checkbox"/> Savings

This authorization must be signed to activate the direct payment service. For the purposes of this Authorization to activate the Direct Payment service, the "Depositor" refers to the person who authorizes the direct payment service to make recurring payments on the Loan and the Account holder. The "Client" (if it were a person other than the Depositor) refers to the debtor(s) of the Loan. The "Payment" is the amount to be debited from the authorized deposit account ("Account").

Depositor expressly authorizes Banco Popular de Puerto Rico ("Bank") to debit from the previously mentioned account, up to the maximum allowed by law, the amount of \$\_\_\_\_\_ the \_\_\_\_ day of every month (or applicable frequency) and an additional amount of \$\_\_\_\_\_ to make a pre-payment on the principal, beginning on the month of \_\_\_\_\_, to cover the payment due in each cycle of the aforementioned loan<sup>1</sup>. I acknowledge that if the payment date specified above falls on a non-business day, payment will be debited on the next business day. If the amount of the monthly (or applicable frequency) payment that you authorized changes, the Bank will send the Client the mortgage account statement at least ten (10) days before the date of the change indicating the variable amount that will be debited.

**Terms and Conditions**

- The Depositor/Borrower will keep sufficient funds in the account to cover the payment. The Loan Payment is subject to the availability of funds in the Account on the date the debit is made. The Bank will not be obligated to honor, in whole or in part, any Payment that: a) exceeds the funds available in the Account; b) includes funds subject to a hold, dispute or legal procedure that prevents its withdrawal from the Account. The Bank will charge a fee of \$10.00 for each returned payment due to insufficiency of funds or any other reasons.
- If the account has insufficient funds to debit the payment on the scheduled date, once notification is received that the debit could not be processed, the Bank will make two additional debit attempts. If unable to process the debit, the Bank will register the payment as returned. Once the payment is reversed, the Bank will stop the collection attempts and the mortgage loan will have to be paid through any other payment channels available. Once the returned payment has been processed, the Direct Payment service will resume as established.
- Should a change take place in the frequency or number of the account, it will be the Depositor/Borrower's obligation to notify these changes to the Bank.** This notification must be made within a period of ten (10) days before the Payment date, so that the effective date of 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 Payments made before receiving and processing the change notification described above. To make changes to this service you can request it through any of our branches or contacting our Customer Service Department at 787.775.1100 or toll free at 1.800.981.1982, Monday to Friday from 8:00 a.m. to 8:00 p.m. and Saturday from 8:00 a.m. to 1:00 p.m. Client has the obligation to notify the bank any account change from which the payment will be debited at least ten (10) days before and complete a new form of authorization of direct payment service.
- If the amount here authorized will change, the Bank will notify in writing to the Depositor/Client the new amount in the mortgage account statement.** This notification will be sent at least ten (10) days before the date of the debit.
- The Depositor/ Client acknowledges that the final payment of the mortgage loan could not be processed through the Direct Payment service. The Client must contact Customer Service Center at 787.775.1100 or at 1.800.981.1982, toll-free, to process the payment for the mortgage loan cancellation.
- The Bank will be careful and diligent in the execution of the Service; however, the Bank will not be responsible to the Depositor/Borrower for any damage, cost or loss of any nature related with the Service if the Bank proceeds in accordance with the instructions given by the Depositor/Borrower.
- The Bank will be responsible only for direct damage that may be caused to the Depositor/Borrower for errors and omissions in the execution of the Service under this Authorization. The Bank's responsibility will be limited to reimbursing for those late fees or for a late payment charged by the Loan creditor. The Bank's responsibility will also be limited to the extent that the resulting damages could have been prevented and mitigated by the Depositor/Borrower's reasonable verification of the information provided by the Bank, as per this Authorization.
- The Bank will not be responsible for non-compliance with this Authorization if this is caused, in whole or in part, by circumstances out of the control and responsibility of the Bank, including any fortuitous cause or force majeure. In case any of these events should occur, the Bank's responsibility shall be limited to resume rendering the services as soon as possible within the circumstances.

<sup>1</sup>If you have more than one loan, you must complete an authorization for each one.

**Termination of Service**

1. This Authorization will be effective until one of the parties notifies the other of its intention to cancel the Service. The Bank may cancel the Service at any time upon notice by regular mail. In absence of an early cancellation, the Authorization will be effective until the cancellation of the Loan or the closing of the Account, whichever is first. Refer to item 5, even if the Service is active until the loan is cancelled, neither the last payment of your loan nor the full payoff of your loan could be processed using this service, and you must contact the Customer Service Center.
2. The Depositor/Borrower may cancel the service for a month by calling the Bank at 787.775.1100 or 1.800.981.1982 (if the call is from outside the metropolitan area); telephones available for the hearing impaired (TDD): 787.753.9677 or 1.800.981.9666 (if calling from outside the metropolitan area) or if you wish to terminate the service permanently, by writing to Banco Popular de Puerto Rico, Mortgage Servicing Division (761), PO Box 362708, San Juan, PR 00936-2708. The bank must receive the order of suspension no later than three (3) business days before the effective date of the corresponding's month payment. **If Client wants to cancel the direct debit authorization permanently, client should submit a written confirmation.**
3. If the Borrower/Depositor requests the Bank the termination of the Service or if the Account is closed for some reason, the Borrower/Depositor will remain being responsible for the transactions previously authorized.

I have read and understood the terms and conditions of the Service. For more information, please refer to the Electronic Transfer of Funds Disclosure, which contains your rights and responsibilities, in accordance with the Federal Law.

By signing, I confirm that I have received a copy of this authorization and that I acknowledge and agree to the terms and conditions.

\_\_\_\_\_  
Name of Owner of the Account/Borrower

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name of Owner of the Account/Borrower

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date