

Personal Banking Disclosure and Agreement



POPULAR®

Personal Banking Disclosure and Agreement

Relating to Deposit Accounts,
Electronic Funds Transfer Agreement,
& Wire Transfer Agreement

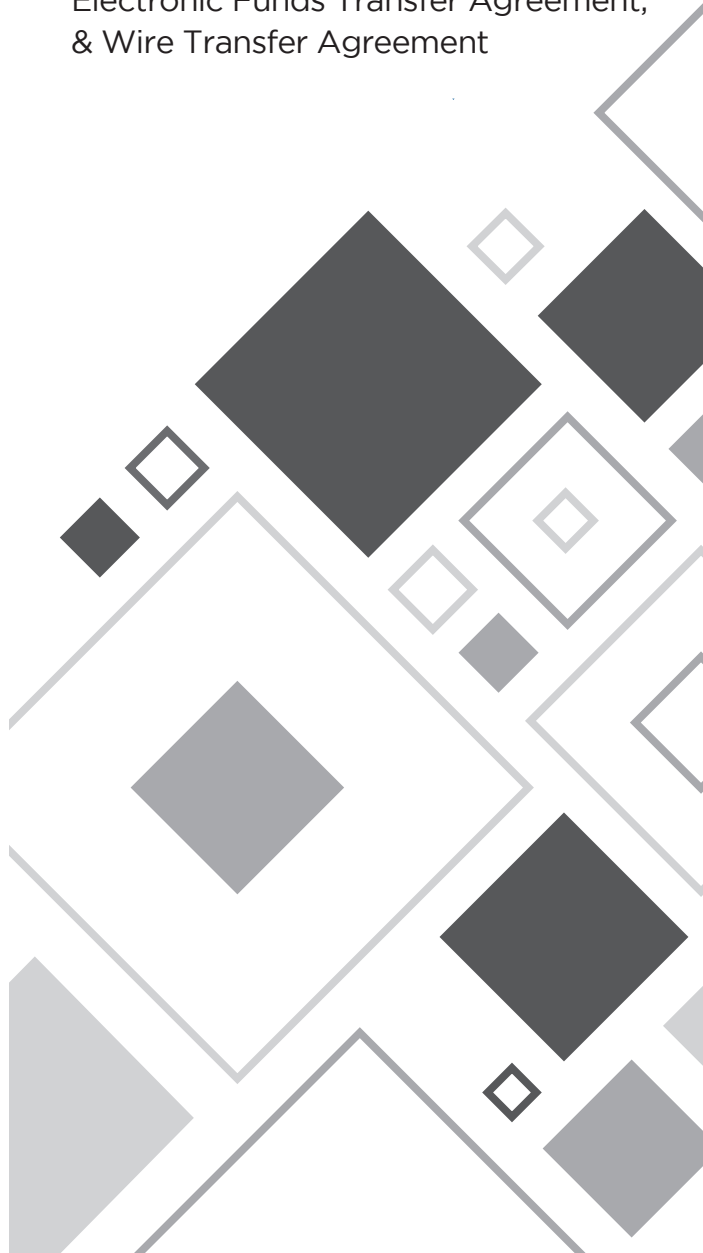


Table of Contents

INTRODUCTION	1
Defined Terms	2
Arbitration Provision	2
The USA Patriot Act	2
GENERAL INFORMATION REGARDING ACCOUNTS	3
GENERAL TERMS RELATING TO PERSONAL ACCOUNTS AND SERVICES	5
Account Ownership	5
Account Posting Order	7
Accounts Presumed to Be Abandoned/ Dormant Accounts	8
Adjudication of Incompetency	9
Arbitration Provision	10
ATM/Night Depository Safety Precautions	14
Backup Withholding	15
Change of Address	15
Changes to Agreement	16
Circumstances Beyond Our Control	16
Closing an Account	16
Credit Verification	16
Collection Expenses	17
Contacting You	17
CTR Reporting	18
Death Notification Entry	19
FDIC Insurance	19
Foreign Exchange Rate	19
Funds Availability	19
How to Contact Us with Comments or Concerns	20
Instructions	20
Legal Process	22
Account Balances, Non-Sufficient Funds (NSF)/ Overdrafts & Related Fees	22
Notice of Changes	25
Privacy Statement	26
Right of Refusal and Termination of Account	26
Right of Setoff	27
Statements and Notices	27
Statement Review and Reporting Problems	27
Stopping Payment on Official Checks	28
Stopping Payment on Cashier's Checks and Money Orders	29
Unlawful Internet Gambling	29
Unregistered Money Service Businesses (MSBs)	30
Use of Wireless Devices	30
Using an Account for Business Purposes	31

DISCLOSURES PERTAINING TO THE CHECK CLEARING FOR THE 21ST CENTURY ACT (CHECK 21)	31
Substitute Checks and Your Rights	31

RULES AND REGULATIONS APPLICABLE

TO DEPOSIT ACCOUNTS	33
Checking Accounts	34
Examining Checks	34
Legal Proceedings	34
Check Imaging	35
Remotely Created Checks	36
Deposit Reclassification	36
Check Processing Order	36
Returned Items	37
Payment of Checks and Other Items	38
Automated Clearing House (ACH) Transactions	38
Stop Payment of Checks	39
Facsimile Signature	40
Deposits by Mail	40
Mobile Check Deposits	40
Miscellaneous Collection Items	41
Demand Drafts	42
Deposit Error Correction	42
Endorsing Checks	42
Identifying the Account	42
Lost Checks	43
Third-Party Endorsement	43
Check Cashing	43
Stale- and Post-Dated Checks	43
Check Legends/Notations	44
Large Cash Withdrawals	44
Sample Signature	44
Withdrawal Restrictions	45
Passbook Accounts	45
Withdrawals from Passbook Accounts	45
Lost Passbooks	45
Money Market Accounts and Savings Accounts	45
Accrued Interest and Withdrawals	45
Restrictions on Money Market and Savings Accounts	45
Time Deposits (CDs)	46
Early Withdrawal Penalties	46
Early Withdrawal without Penalty (Excluding Retirement Accounts)	46
Grace Period	46
Issuance of CDs	46
Negotiability	47

ELECTRONIC FUNDS TRANSFER AGREEMENT

AND DISCLOSURE	47
Debit/ATM Cards.....	47
Preauthorized Transfers and Direct Deposits	51
Telephone Transfers.....	52
Electronic Check Conversion.....	52
Online and Mobile Banking	52
General Disclosures for All EFT Services	52
Charges for EFT Services.....	53
Documentation of EFT Services	53
Direct Deposits.....	53
Limitation on Transfers from Savings and Money Market Deposits	53
Errors or Questions.....	53
Our Liability for Failure to Complete an Electronic Funds Transfer	54
Your Liability	55
Contact Us in the Event of Unauthorized Transfers.....	56
Confidentiality.....	56
Future Changes and Cancellation	57
Other Agreements.....	57
WIRE TRANSFER AGREEMENT	57
Security Procedures.....	58
Reliance on the Content of Wire Transfer Instructions.....	58
General Provisions	59
POPULAR ONLINE BANKING	59

HOW TO CONTACT US

Customer Care Center
P.O. Box 4906
Miami Lakes, FL 33014

Telephone Banking and Customer Service:

1.800.377.0800

7:30am - 12:00am ET, Monday through Friday

9:00am - 6:00pm ET, Saturday and Sunday

www.PopularBank.com

Introduction

Welcome to Popular Personal Banking, and thank you for opening your account with us.

This Personal Banking Disclosure and Agreement is our disclosure brochure and constitutes part of the agreement between you and us. When you open a deposit account with us, you agree to the terms and conditions described herein and to the terms and conditions of our "Account Disclosures," including (i) product specific disclosures relating to your account ("Account Product Disclosure") and applicable Rate Sheets (for interest bearing accounts only); (ii) the *Schedule of Fees*; (iii) each of our policies referenced herein; and (iv) the Signature Card(s) for the account(s) you elect to open (collectively referred to as this "Agreement"). In addition, you may have an Overdraft Line of Credit (if you open this line when you open your account); IRA, Simplified Employee Pension Plans ("SEP") and trust account disclosures (for IRAs, SEPs and trust accounts only); or, in the case of Popular Private Client customers, the Popular Private Client Relationship Agreement. These additional documents (hereinafter referred to as the "Additional Disclosures and Agreements") and the terms and conditions set forth therein constitute an addendum to this Agreement. You may also agree to separate services that relate to your account, such as online and mobile banking.

This Agreement is intended to operate as a "master agreement" with respect to all such services. Your and our rights and obligations under this Agreement and the Additional Disclosures and Agreements are governed by and interpreted according to state and federal law. The laws of the state of New York govern this Agreement, unless otherwise provided herein. If any of the clauses of this Agreement or the Additional Disclosures and Agreements are declared null and void or illegal, then the remaining provisions will maintain their full force and effect.

Please read this Agreement and the Additional Disclosures and Agreements carefully and keep them for your records. By opening a Popular account and executing a Signature Card, you are agreeing to the terms of this Agreement and to the applicable Additional Disclosures and Agreements.

Defined Terms

Popular Bank (“Popular,” the “Bank,” “we,” “us” or “our”) is the issuer of your account. The products and services available at our branches in each state, and the fees and terms applicable to them may differ from state to state. Throughout this Agreement, the words “you,” “your,” “yours” and “Account Owner” refer to the accountholder or holders designated on the Signature Card. “Signer” refers to any signer who signs the Signature Card. Any reference to “days” in this Agreement signifies calendar days unless otherwise noted as “business days.”

Arbitration Provision

This Agreement contains an Arbitration Provision in the General Terms Relating to Personal Accounts and Services section. Within forty-five (45) days after the date we open your deposit account, or, if you are an existing customer and we are asking you to enter into a new deposit agreement, within forty-five (45) days after we provide you the new agreement, you may elect to reject the Arbitration Provision. Unless you do so to the extent permitted by applicable law, the Arbitration Provision will have a substantial impact on how any legal claims we have against each other are resolved if either you or we elect arbitration. For example, disputes subject to arbitration are decided by a neutral arbitrator and not a judge or jury. Also, if you or we elect arbitration, neither you nor we will have the right to participate in a class action, either in court or in arbitration.

The USA Patriot Act

The USA Patriot Act is a federal law that requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. In order to open an account, you will be asked to provide your name, a valid physical U.S. street address, a telephone number, a date of birth, and other information that identifies each person who opens the account. You may also be asked to provide other personal and financial information that will allow us to identify you, including a driver’s license or other identifying documents. Additionally, you agree that we may pull a report from a consumer reporting agency on you as a new customer and may do so from time to time after the accountholder relationship has been established.

All deposit accounts are opened subject to our ability to verify your identity by requiring acceptable types of

identification. We may validate the information you provide to us to ensure we have a reasonable belief of your identity. If we are not able to verify your identity to our satisfaction, we will not open your account or we may close the account if it was previously funded. We reserve the right to not open an account for anyone in our sole discretion. We may also limit the number of accounts that you have in our sole discretion.

General Information Regarding Accounts

The following information applies to Popular personal accounts:

- We may deny a claim of monetary loss due to forged, altered or unauthorized checks, drafts or items or for a lost or stolen personal identification number (PIN) if you do not take the actions described in this Agreement.
- In general, we will offer you a Debit Card when you open a checking account and an ATM Card when you open a money market account or savings account with us. Please refer to the Account Product Disclosure relating to accounts with Debit Card and/or ATM Card access and to the Electronic Funds Transfer Agreement and Disclosure included herein for the terms of your Debit/ATM Card. You may also use your applicable Debit Card and/or ATM Card for electronic banking services if you request a PIN and tell us to link one or more of your checking, money market or savings accounts to your applicable Debit and/or ATM Card.
- We may transfer funds between your accounts, transfer your accounts to other branches, and take other action on the oral or written instructions of any Signer. We may require written authorization for some actions. See the section entitled *Instructions*.
- We require every Account Owner who opens a new account (and any applicable additional Signers) to provide a certified Taxpayer Identification Number for tax reporting purposes.
- We consider any account that names a beneficiary an informal trust account. The account is the Signer’s personal account while the Signer is living. When the Signer dies, the funds belong to the beneficiary. You may name separate beneficiaries to each of the

accounts opened under a Signature Card. You may name multiple beneficiaries for each account.

- We may rely on the information that you give us and that we enter into our records, until you notify us in writing of a change.
- We may obtain credit reports and make any other inquiries about you.
- If we believe that there is a valid dispute about ownership or control of your account, then we may place a hold on it and not release funds until we receive either a court order or an instruction signed by all persons claiming an interest in the account. We may also choose to file an interpleader action.
- We may deduct amounts that you owe us under this Agreement, such as fees and charges, from your accounts with us or with our affiliates, as allowed by law. This does not apply to any consumer credit covered by the Truth in Lending Act of 1968, as amended. See the section entitled *Right of Setoff*.
- We may take a check or other item for deposit to your account from anyone. We are not required to question the authority of the person making the deposit.
- We may refuse to honor a request to withdraw funds in cash from your account or to cash a check (including a cashier's check) if we believe that the amount is unreasonably large or that honoring the request would cause us an undue hardship or security risk.

The following applies only to accounts with more than one Account Owner:

- We may require the signatures of all Account Owners (and any applicable additional Signers) if we have actual knowledge or otherwise believe that there are conflicts among you regarding account ownership/control.
- We may cash or deposit all checks payable to any Account Owner (and/or any applicable additional Signers) when endorsed by any other Account Owner (and/or any applicable additional Signers).
- Each Account Owner is individually, jointly and severally liable for debts owed to us on an account, regardless of which Signer incurred the debt.

- If multiple Account Owners make conflicting demands, then the Bank may, but is not required to, freeze the funds in the account until the conflict has been resolved.

General Terms Relating to Personal Accounts and Services

Account Ownership

When you open an account, you may choose one of several types of ownership. You may wish to consult your tax adviser or attorney before opening any type of account. The account type you select will depend on how many people will sign on the account, how (or whether) they will share an interest in the account, and the purposes for which the account will be used. The type of account ownership you select will be indicated in the account title on the Signature Card. The type of account you select may determine how property is distributed after your death. Your will or estate may not control disposition of funds held in some of the accounts. The types of deposit accounts that we offer include, but are not limited to, the following:

SINGLE (INDIVIDUAL) ACCOUNT - An account in the name of only one person. Funds in the account may be paid only to or on the order of that individual, or someone to whom that individual has given a power of attorney, or as otherwise may be required or permitted by law.

JOINT ACCOUNT WITH RIGHT OF SURVIVORSHIP - An account opened in the names of two or more people. If applicable, any one of them may make withdrawals without the authorization of the other(s). Upon the death of one Account Owner, all sums in the account on the date of death vest in and belong to the surviving party(ies) as his/her/their separate property and estate, and all funds in the account may be paid to any of the survivors.

SINGLE P.O.D. (PAYABLE-ON-DEATH) OR TOTTEN TRUST ACCOUNT - A voluntary and revocable P.O.D./Totten Trust opened by one person (depositor) who names another as payee or beneficiary.

JOINT P.O.D. (PAYABLE-ON-DEATH) OR TOTTEN TRUST ACCOUNT - A joint voluntary and revocable

P.O.D./Totten trust account with right of survivorship opened by two or more persons (depositors) who name another as payee or beneficiary.

CUSTODIAN UNDER THE APPLICABLE UNIFORM TRANSFERS (OR GIFTS) TO MINORS ACT (the “Minors Act”) – Your rights and responsibilities are governed by the Minors Act. This type of account requires a complete and irrevocable transfer to a minor. The funds in the account belong to the minor but are controlled by and held in the name of the custodian. Withdrawals are paid only upon signature of the custodian or as required or permitted by law. The minor’s social security number is used for the account, as the minor is the beneficial owner of the funds.

FIDUCIARY ACCOUNT – An account involving a legal arrangement or capacity in which one person or entity (the fiduciary) acts on behalf of another. Examples include, but are not limited to: personal representative; guardian or conservator for a minor or other legally incompetent person; and trustee under a trust agreement or under a will. Upon our request, the fiduciary must provide us with an affidavit, certification or other documentation, including, without limitation, copies or excerpts of any agreement, instrument or order pertaining to the account or fiduciary relationship.

TRUSTEE Individual Retirement Account – A personal savings plan account in which the participant directs all transactions within the plan. Such accounts are opened by individuals meeting applicable Internal Revenue Service requirements whether or not they are covered by a retirement plan. We act as trustee of certain retirement plans. Transactions are governed by section 48 of the Internal Revenue Code.

If you establish a joint account without obtaining the signatures of the other Account Owners, then you agree to hold us harmless for reliance on your designation of the other joint Account Owner(s) listed in our records.

In making payments from funds deposited in an account, we may rely conclusively and entirely upon the Signature Card and this Agreement at the time the payments are made. Unless we have actual or written knowledge of the existence of a dispute between, or death or incompetency of, Account Owners, beneficiaries, payees or other persons claiming an interest in funds deposited in an

account, all payments made by us from an account at the request of any Signer to the account, and/or the agent of any Signer to the account, in accordance with the terms of the Signature Card and this Agreement shall constitute a complete release and discharge of the Bank from all claims for the amounts so paid whether or not the payments are consistent with the actual ownership of the funds deposited in an account by an Account Owner and/or the beneficiaries and payees of the account, and/or their heirs, successors, personal representatives and assigns.

Account Posting Order

You may use a number of different access devices to deposit and withdraw funds from your account. Your deposits are credits, and they may be made by cash, check and other instruments of payment for which you are the payee, Automated Clearing House (“ACH”) direct deposits, and via online and mobile banking transfers. Withdrawals from your account are debits, and they may be made, depending on the type of Popular account you have, via checks (and through other transactions made using your checking account number), Debit and ATM Cards, ACH debits, wire transfer requests, internal debits, Bill Pay, online and mobile banking transfers and automatic payments. At the end of each business day, all credits and debits occurring in your account since the end of the previous business day are “posted”—added to or subtracted from your daily account balance. The account balance that is adjusted during this posting process is referred to as your “ledger balance.”

We may accept, pay, certify, or charge to the indicated account the debits that we post on any given day in any order we choose to the extent permitted by applicable law. We may also establish different posting priorities or categories for checks and other kinds of debits to the extent permitted by applicable law.

We currently post credits and debits (including fees) submitted during the same posting period in the following group order at the end of each business day:

First: All deposits and credits to your account will post based on our *Funds Availability Policy Disclosure*.

Second: The following debits will post in the order in which each is authorized/received: wire transfer debits, Bill Pay transactions, withdrawals (excluding ATM

transactions), transfers between accounts, government debits, adjustments, returned deposits, and checks cashed in our branches.

Third: Everyday Debit Card purchases will post in the order in which each is received from the merchant and ATM withdrawals will post in the order in which each is authorized.

Fourth: Pre-authorized ACH debits, whether one-time or recurring, will post in the order received by us. If multiple ACH debits are received during the same posting period, they are posted lowest to highest dollar amount.

Fifth: Checks are posted in numerical order from lowest to highest check number. Checks presented without a number will post after the numbered checks, and will post from lowest to highest dollar amount.

Sixth: Most fees post on the same day they are incurred; however, certain fees, including Non-Sufficient Funds ("NSF") fees, are posted on the first business day after an NSF item is returned or an overdraft occurs on an account.

The ledger balance that is determined through this end-of-business-day posting process is used to determine whether there are sufficient funds in your account to cover your requested debits. If there are insufficient funds to pay a presented debit, we may return it unpaid or pay it and overdraw your account. In either case, you may incur related fees. For more information on overdrafts and overdraft NSF fees, please see the section of this Agreement entitled *Account Balances, Non-Sufficient Funds (NSF)/Overdrafts & Related Fees* and our *Schedule of Fees*.

Accounts Presumed to Be Abandoned/ Dormant Accounts

If you have not made a withdrawal from, or deposit to, your account for an extended period of time and we have been unable to contact you, your account may be classified by us as "dormant."

Additionally, in instances where you have not communicated with us, and/or you have not increased or decreased the balance in your account for an extended period of time, as provided by applicable law or regulation, your account may be deemed "abandoned." State and federal law and Bank policy govern when deposit accounts (including, without limitation, accounts within a retirement plan),

are considered "inactive," "dormant" or "abandoned." The applicable state law to determine abandonment will be the law of the state of the Account Owner's last known address. If this information is not known to us or if you have a foreign address, then we will follow the laws of our state of incorporation, New York. For certain purposes, automated transactions (for example, automated transfers between your accounts) may not be considered activity for this purpose, even if your balance changes. If we consider your account inactive, then we may hold all statements, but fees and charges will continue to apply, except where otherwise legally prohibited.

Subject to applicable law, we may charge a dormant account fee, and the account will be presumed to be dormant, inactive and/or abandoned.

Bank charges or interest payments are not considered activity affecting the balance in your account. In accordance with state law, funds in dormant, inactive and/or abandoned accounts will be remitted to the custody of the applicable state agency, and we will have no further liability to you for such funds.

The Bank may, at its option, attempt to contact you prior to remittance of funds to the applicable state; provided that the Bank will attempt to do so if required by applicable law. We may assess a fee for sending you notice and publishing your name in a newspaper of your state, unless prohibited by law. Once your funds are remitted to the applicable state, you must apply to the appropriate state agency to reclaim your funds.

After the funds on deposit have been remitted to the state, the account is closed and interest does not continue to accrue on any interest-bearing account. The fact that you have an active account with us does not keep your other accounts active. State law will determine whether related activity is a factor.

We reserve the right not to send statements on accounts that we consider dormant, inactive and/or abandoned, subject to applicable law.

Adjudication of Incompetency

You agree to notify us immediately of the court-declared incompetency of any Account Owner or authorized Signer on your account. We may freeze, refuse, or reverse deposits and transactions and/or return governmental

benefit payments made to the Account Owner if an Account Owner is adjudicated incompetent. If you give us instructions regarding your account which are to be effective upon the maturity of your account, and you or another Account Owner of the account is adjudicated incompetent prior to its maturity, then the instructions shall be effective, unless we receive written notice of incompetency prior to honoring such instructions.

Arbitration Provision

To the extent permitted under applicable law—and if you do not reject this Arbitration Provision—you and we agree that either party may elect to arbitrate—and thus require the other party to arbitrate—any “Claim” under the following terms and conditions.

RIGHT TO REJECT – You may reject this Arbitration Provision by mailing a signed rejection notice to:

Arbitration Administrator
Customer Care Center
P.O. Box 4906
Miami Lakes, FL 33014

within forty-five (45) days after the date we open your account, or, if you are an existing customer and we are asking you to enter into a new deposit agreement, within forty-five (45) days after we provide you the new agreement. Any rejection notice must include your name, address, telephone number and account number.

CHANGES TO ARBITRATION PROVISION – We may change, amend or supplement this Arbitration Provision at any time, as allowed by applicable law, by mailing notice of any change to the address you have provided to us at least forty-five (45) days before the effective date of any change to this Arbitration Provision. If you do not wish to accept such changes, you may reject the Arbitration provision by mailing a signed rejection notice as set forth in the previous paragraph, entitled “RIGHT TO REJECT.”

IMPORTANT WAIVERS: IF YOU OR WE ELECT TO ARBITRATE ANY CLAIM, YOU (AND WE) SHALL HAVE NO RIGHT TO: (i) HAVE A COURT OR A JURY DECIDE THE CLAIM; (ii) PARTICIPATE IN A CLASS ACTION CONCERNING THE CLAIM OR THE SUBJECT MATTER OF THE CLAIM IN COURT OR IN ARBITRATION, WHETHER AS A CLASS REPRESENTATIVE, CLASS MEMBER OR OTHERWISE, OR ACT AS A PRIVATE

ATTORNEY GENERAL IN COURT OR IN ARBITRATION (THE “CLASS ACTION WAIVER”); (iii) JOIN OR CONSOLIDATE ANY SUCH CLAIM WITH A CLAIM(S) BY ANY OTHER PERSON; OR (iv) OBTAIN INFORMATION EXCEPT AS PROVIDED HEREIN. OTHER RIGHTS ARE MORE LIMITED IN ARBITRATION THAN IN COURT OR ARE NOT AVAILABLE IN ARBITRATION.

DEFINITIONS – In this Arbitration Provision, the following definitions will apply:

“We,” “us” and “our” means not only the Bank but also its parents, subsidiaries and affiliates; any predecessors, successors and assigns of these entities; and all officers, directors and employees thereof. “We,” “us” and “our” also include any party named as a co-defendant with us in a Claim asserted by you, such as credit bureaus, and check verification services.

“Administrator” means, as applicable, the **American Arbitration Association (the “AAA”)**, 335 Madison Avenue, New York, NY 10017, www.adr.org, 1.800.778.7879, or **JAMS**, 62 Eight Avenue, NY Times Building, 34th Floor, New York, NY 10018, www.jamsadr.com, 1.800.352.5267, or if the AAA and JAMS cannot or will not serve, an arbitration administrator agreed-upon by the parties or appointed by a court, provided that the Administrator must not have in place a formal or informal policy that is inconsistent with and purports to override the terms of this Arbitration Provision. You may select the Administrator when you give written notice of an election to arbitrate a Claim or within twenty (20) days after we give such written notice. Otherwise, we will select the Administrator.

“Claim” as used herein means any legal claim, dispute or controversy between you and us that arises from or relates in any way to this Agreement or the deposit account including: (i) this Arbitration Provision; (ii) the fees or charges we or other parties impose in connection with this Agreement or the deposit account or the other provisions of this Agreement; (iii) the interest, if any, paid on the deposit account; (iv) any application, disclosure or other document relating in any way to this Agreement; (v) any service or product offered or made available by or through us in connection with this Agreement, including any associated fees, charges, terms or disclosures; and (vi) any documents, instruments, advertising or promotional materials that contain

information about this Agreement or deposit account, or any other such service or product.

“Claim” includes, without limitation, disputes concerning the validity, enforceability, arbitrability or scope of this Arbitration Provision or this Agreement, disputes involving alleged fraud or misrepresentation, breach of contract, negligence or violation of statute, regulation or common law; and disputes involving requests for injunctions or other equitable relief. However, “Claim” does not include: (i) any individual action brought by you in small claims court or your state’s equivalent court, unless such action is transferred, removed or appealed to a different court; (ii) any challenge to the validity and effect of the Class Action Waiver, which must be decided by a court; or (iii) any exercise by us of our right to set-off against the amounts that you owe us with the amounts that you have on deposit with us or any proceeding brought by you to enjoin the exercise of such right.

STARTING ARBITRATION – To initiate arbitration, you or we must give written notice of an election to arbitrate. This notice may be given after a lawsuit has been filed and may be given in papers or motions filed in the lawsuit. If such a notice is given, then the Claim shall be resolved by arbitration under this Arbitration Provision and the applicable rules of the Administrator then in effect. The arbitrator will be selected under the Administrator’s rules, except that the arbitrator must be a lawyer with at least ten (10) years of experience or a retired judge, unless you and we agree otherwise.

LOCATION AND COSTS – Any arbitration hearing that you attend will take place in a location that is reasonably convenient to you. We will consider (and generally honor) any good faith request to bear the fees charged by the Administrator and the arbitrator(s). The prevailing party in arbitration shall have the right to seek an award of its attorneys’ fees and costs to the extent the losing party’s prosecution or defense of the claim was not in good faith or otherwise lacked a substantial legal or factual basis. If we lose, we will pay all fees charged by the Administrator and the arbitrator(s) as well as all reasonable fees of your attorneys. In all cases, we will pay all fees and costs (including attorneys’ fees) that we are required to bear under applicable law and/or in order for us to enforce this Arbitration Provision.

DISCOVERY; GETTING INFORMATION – Either party may obtain from the other party prior to the arbitration hearing any information available under the Administrator’s rules or any information that the arbitrator determines should be made available.

EFFECT OF ARBITRATION AWARD – Any court with jurisdiction may enter judgment upon the arbitrator’s award. The arbitrator’s award will be final and binding, except for: any appeal right under the Federal Arbitration Act, 9 U.S.C. §§1 et seq. (the “FAA”); and Claims involving more than \$50,000. For Claims involving more than \$50,000, any party may appeal the award to a three-arbitrator panel appointed by the Administrator, which will reconsider de novo any aspect of the initial award that is appealed. The panel’s decision will be final and binding, except for any appeal right under the FAA. Except as provided above, the appealing party will pay the Administrator’s and arbitrator’s costs associated with the appeal.

GOVERNING LAW – This Arbitration Provision is made pursuant to a transaction involving interstate commerce and shall be governed by the FAA, and not by any state law concerning arbitration, provided that the law of New York (the state where we are chartered) shall be applicable to the extent that any state law is relevant in determining the enforceability of this Arbitration Provision under Section 2 of the FAA. The arbitrator shall follow applicable substantive law to the extent consistent with the FAA, applicable statutes of limitation and applicable privilege rules, and shall be authorized to award all remedies permitted by applicable substantive law, including, without limitation, compensatory, statutory and punitive damages (subject to constitutional limits that would apply in court), declaratory, injunctive and other equitable relief, and attorneys’ fees and costs. Upon the timely request of either party, the arbitrator shall write a brief explanation of the basis of his or her award. The arbitrator will follow rules of procedure and evidence consistent with the FAA, this Arbitration Provision and the Administrator’s rules.

SURVIVAL, SEVERABILITY, PRIMACY – This Arbitration Provision shall survive closure of your deposit account; our sale or transfer of our rights under this Agreement; any legal proceeding or set-off to collect a debt owed by you; or any bankruptcy or insolvency. If any portion of

this Arbitration Provision cannot be enforced in a proceeding between you and us, then the rest of the Arbitration Provision will continue to apply, provided that the entire Arbitration Provision shall be null and void if the class action waiver is held to be invalid regarding any class or representative Claim in a proceeding between you and us, subject to any right to appeal such holding. In the event of any conflict or inconsistency between this Arbitration Provision and the Administrator's rules or this Agreement, this Arbitration Provision will govern.

BREACH OF ARBITRATION AGREEMENT - If either party unreasonably fails to submit to arbitration following a proper demand to do so, then that party shall bear all costs and expenses, including reasonable attorneys' fees, incurred by the other party in seeking to compel arbitration.

ATM/Night Depository Safety Precautions

The convenience of our ATMs/night depositories allow you to take care of your banking needs at any time. The security and privacy of your banking business at our ATMs/night depositories depends on your caution and care. We suggest you take the following safety precautions when using any ATM or night depository:

- Always protect your card by keeping it in a safe place. If your card is lost or stolen, notify us immediately.
- Always protect your personal identification number ("PIN"). Never give your PIN to anyone, or write your PIN anywhere, especially on your card. If you choose your own PIN, avoid using obvious numbers such as telephone numbers, addresses or birth dates.
- Never provide information about your card or PIN over the telephone. If someone asks you for this information, refuse to provide it and immediately notify us.
- Prepare your transaction before going to an ATM or night depository to minimize your time at the facility.
- Always save your ATM receipts and do not leave them or your card at the ATM or night depository facility because they contain important information.
- Shield the keypad with your hand or body while entering your PIN.
- Do not accept assistance from anyone whom you do not know when using an ATM or night depository facility.

- Park in well-lighted areas in close proximity to the ATM or night depository.
- If you use a drive-up facility, then be sure that the passenger windows of your vehicle are rolled up and that the doors are locked.
- Be aware of your surroundings, especially after dark. If you must use an ATM at night, then consider taking someone with you.
- Put your cash away promptly and count it later, in the safety of your car or home.

We want the ATM and night depository facilities to be safe and convenient for you. Therefore, please let us know if a light is not working or there is any damage to a facility. Please immediately report any suspicious activity or crimes to both the operator of the facility and law enforcement officials.

Backup Withholding

You are required to provide us with a tax identification number ("TIN"), certified under the penalty of perjury. Proper completion of IRS Form W-9 or other form that we provide to you requesting TIN certification fulfills this requirement. For individuals, the TIN is the social security number. For businesses and most other non-individuals, the TIN is the Employer Identification Number ("EIN"). Under certain conditions we may be required to withhold and pay to the IRS a certain percentage of payments of interest. The percentage withheld will be determined by the rate in effect under IRS regulations.

Interest payments may be subject to backup withholding if:

- You do not furnish us with your TIN.
- The IRS notifies us that you furnished an incorrect TIN.
- We are notified by the IRS that you are subject to backup withholding.
- You fail to certify to us that you are not subject to backup withholding.
- You fail to certify your TIN.
- You fail to re-certify your TIN (foreign accounts only).

Change of Address

You must notify us immediately if you change your address. Address changes may be requested only by

valid Account Owners upon proper verification. Address changes may be made by contacting our Customer Care Center at 1.800.377.0800, by visiting a Popular branch, or by writing to us at the following address:

Customer Care Center
P.O. Box 4906
Miami Lakes, FL 33014

Changes to Agreement

We may amend, supplement or otherwise change this Agreement (except the Arbitration Provision) at any time as allowed by applicable law. For additional information please see the *Notice of Changes* section.

Circumstances Beyond Our Control

We will not be liable to you if circumstances beyond our reasonable control prevent us from, or delay us in:

- Acting on a payment order.
- Crediting a funds transfer to your account.
- Processing a transaction.
- Crediting your account.
- Performing our obligations for a service.

Circumstances beyond our reasonable control include, but are not limited to: any natural disaster, such as an earthquake or a flood; emergency conditions, such as a war, event of terrorism, riot, fire, theft or labor dispute; a legal constraint or governmental action or inaction; the breakdown or failure of our equipment; the breakdown of any private or common carrier communication or transmission facilities, any time-sharing supplier and any mail or courier service; or your act, omission, negligence or fault.

Closing an Account

Please refer to the section below entitled *Right of First Refusal and Termination of Account*.

Credit Verification

By requesting to open an account with us, or by agreeing to be a Signer on an account or obtaining any other service from us, you (and, if acting in a representative capacity, individually and for such entity or principal) agree that we may obtain credit information from consumer reporting agencies, and/or by any other means. You agree that we may obtain such information (i) at the time you open the account; (ii) at any time you

request any service, while your account is open, or a service you are subscribed to is available, or (iii) after your account or service has been closed if you owe us any amounts related to your account or service. We may use such information at our discretion. If you do not handle your account or service in a satisfactory manner and/or it is necessary for us to charge off your account as a loss, then we may report such negative information to consumer reporting agencies. By applying for an account with the Bank, you expressly consent to permit the Bank to obtain credit information at the time of account opening and periodically thereafter. Credit information may be obtained from other financial institutions or any other external source as permitted by law, including commercially available databases and credit reporting agencies, to verify your credit information and identity, and to periodically update your information such as residential address, occupation and place of work.

Collection Expenses

You agree to pay our reasonable expenses, including attorneys' fees, incurred in collecting any amounts owed by you under, or in enforcing, the provisions of this Agreement.

Contacting You

We may monitor or record phone calls for security reasons, to maintain a record and to ensure that you receive courteous and efficient service. You consent in advance to any such recording. We need not remind you of our recording before each phone conversation.

To provide you with the best possible service in our ongoing business relationship for your account we may need to contact you about your account from time to time by telephone, text messaging or email. However, we must first obtain your consent to contact you about your account because we must comply with the consumer protection provisions in the federal Telephone Consumer Protection Act of 1991 (TCPA), CAN-SPAM Act and their related federal regulations and orders issued by the Federal Communications Commission (FCC).

Your consent is limited to your account, and as authorized by applicable law and regulations.

Your consent does not authorize us to contact you for telemarketing purposes (unless you otherwise agreed elsewhere).

With the above understandings, you authorize us and our service providers to contact you regarding your account throughout its existence using any telephone numbers or email addresses that you have previously provided to us or that you may subsequently provide to us.

This consent is regardless of whether the number we use to contact you is assigned to a landline, a paging service, a cellular wireless service, a specialized mobile radio service, other radio common carrier service or any other service for which you may be charged for the call. You further authorize us to contact you through the use of voice, voice mail and text messaging, including the use of pre-recorded or artificial voice messages and an automated dialing device.

If necessary, you may change or remove any of the telephone numbers or email addresses at any time using any reasonable means to notify us.

CTR Reporting

Federal law requires all financial institutions to submit a Currency Transaction Report (“CTR”) to the Financial Crimes Enforcement Network (“FinCEN”) for any cash transaction of more than \$10,000 or for multiple cash transactions that you perform that total more than \$10,000 on any one day. This information aids federal authorities in controlling the flow of cash generated from illegal activities. By maintaining an account with us, you agree to provide all information that we reasonably request to comply with applicable laws, rules and regulations. If you refuse to give us this information, we may close your account.

We usually prepare the CTR when the transaction occurs. We are required to obtain certain information about the individual who conducts the transaction and the individual or organization for which the transaction is being conducted. We include the individual’s or organization’s full name; permanent street address; TIN; driver’s license number (or other government issued ID number); and business, occupation or profession.

Federal law makes it a crime for a person to cause a financial institution to file an incorrect CTR or for a person to arrange or structure a transaction specifically to avoid this reporting requirement—for example, by breaking a single cash deposit of more than \$10,000 into several smaller cash deposits.

Death Notification Entry

You agree to notify us immediately of the death of any Account Owner or authorized signer on your account. All Death Notification Entries (“DNE”) and reclamations are reviewed upon receipt. We may freeze any account, refuse, or reverse and return all applicable Federal Government and/or Non-Government transactions, payments and debits, made after the Account Owner’s death, back to the United States Treasury or Financial Institution that originated the entry. A letter of Notification will be sent to the Account Owner’s last known address whenever a DNE or Reclamation is received for a particular account.

FDIC Insurance

The Federal Deposit Insurance Corporation (FDIC), an agency of the United States government, insures funds in your deposit accounts at the Bank. Deposits at FDIC-insured institutions are now insured up to at least \$250,000 per depositor and separate coverage is provided for deposits held in different account ownership categories. FDIC insurance applies only to accounts held in the United States and its territories and possessions. For details, please refer to the brochure published by the FDIC or visit the FDIC web site at www.fdic.gov.

Foreign Exchange Rate

Transactions must be made in U.S. dollars. If you use an ATM or conduct a point-of-sale (POS) transaction, or electronic funds transfer in a foreign country, or write a check in a foreign currency, or send a funds transfer or other transaction in foreign currency, we will convert the foreign currency transaction in accordance with procedures in effect at the time the transaction is processed. A conversion rate will be selected from the range available in wholesale currency markets for the applicable central processing date or the government-mandated rate in effect for the applicable central processing date. A surcharge will be assessed for all transactions originated in a foreign country.

Funds Availability

The *Funds Availability Policy Disclosure* is provided separately. This disclosure may be changed from time to time. We will provide you with notifications of these changes as required by applicable law.

How to Contact Us with Comments or Concerns

We encourage you to contact us if you have any comments or concerns about your account. Please write to us at:

Customer Care Center
P.O. Box 4906
Miami Lakes, FL 33014

Or call us at:

1.800.377.0800

If you cannot resolve an issue, you may contact:

Consumer Financial Protection Bureau
1700 G Street NW
Washington, DC 20006
Phone: 202.435.7000

or

New York State Department of Financial Services
One State Street
New York, NY 10004-1511
Phone: 212.709.3530

For information about Federal Reserve Board regulations, you may contact:

Federal Reserve Bank of New York
33 Liberty Street
New York, NY 10045-0001
Phone: 646.720.5000

Instructions

We will honor your instructions (including adjustments, amendments and cancellations) only when you have complied with this Agreement and our related policies and procedures. We are under no obligation to honor, either in whole or in part, any transaction or instruction that: (i) exceeds your available funds on deposit with the Bank; (ii) we have reason to believe the transaction may not be authorized by you; (iii) involves funds subject to a hold, dispute or legal process preventing their withdrawal; (iv) violates any provision of any applicable regulation of the Federal Reserve or any other federal, state or local regulatory authority; or (e) we have reasonable cause not to honor, for the protection of either you or us.

You authorize us to accept instructions from you to open and close accounts, to convert any product to a similar

alternative product and to request or terminate any account service covered by this Agreement, without requiring further original signatures from you, except as required by applicable law. You may give us instructions to open accounts in your individual name, joint accounts in your name and another individual's name, in-trust-for accounts, and accounts for which you are executor, administrator, trustee or other authorized signatory, as applicable. We may accept written instructions received by mail or messenger or secure email, or oral, telephonic, electronic, telex or telefax instructions, with the same effect as if you had signed them. You agree to follow such security procedures as we may require and to provide your signature or confirm an instruction via a call-back, if requested. We may at any time refuse to accept such instructions or may require updated information.

Unless you have advised us in writing to the contrary, your delivery to us of any such instructions shall be confirmation that there are no material adverse changes in the information you have provided us to date.

CONFIRMATION SYSTEMS - In addition, the provisions governing certain specific products and services that you select may also be provided to us through a confirmation system, whereby, prior to your enrollment in such product or service, you will be provided with a confirmation describing the specific provisions that are relevant to such product or service, as well as any special elections or instructions you may have provided in connection with such product or service. Each such confirmation, together with any separate terms and conditions and/or disclosures delivered to you in connection therewith is referred to as a "Recap Confirmation." Some products or services available to you will not be referenced or described in this Agreement, but will be documented solely in a Recap Confirmation.

You hereby confirm that you will review each relevant Recap Confirmation. In addition, you also agree that you will acknowledge your agreement with the Recap Confirmation in writing (via electronic mail, facsimile, mail, hand delivery or otherwise) within five (5) days following your receipt of any Recap Confirmation, and if you do not provide such acknowledgement within such five (5) day period, your instructions will not be processed.

The provisions of any Recap Confirmation shall be incorporated in this Agreement by reference. In the event

of any inconsistency between this Agreement and any Recap Confirmation, unless otherwise set forth herein, the Recap Confirmation shall control.

Legal Process

We may accept and comply with any writ of attachment, execution, garnishment, tax withhold order or other levy, subpoena, warrant, injunction, restraining order, government agency request for information or other legal process relating to your account which we believe (correctly or incorrectly) to be valid and binding regardless of the location of the Bank or method of service on the Bank even if the law requires personal service at the branch of record or other specified location for your account or where the records are stored (but we reserve the right to require service at such location as may be required by law). We may, but are not required to, give you notice of any such legal process except as required by law and will not do so if prohibited by law. A legal processing fee, hourly research fee, and copy charges may be assessed unless prohibited by law. This fee is in addition to any fee collected from the party serving the legal process. In responding to a search warrant or other legal process from a city, county, state or federal law enforcement or other agency, we may produce documents or provide access to property located in any Bank storage or other facility, including facilities owned and operated by third parties maintaining such records on behalf of us, even if such facility is not designated as the place to be searched in the search warrant or legal process. If we are required to pay any attachment, garnishment, writ, levy or other legal process related to your account, then we may debit your account even if such creates an overdraft. If we incur any expenses, including without limitation research, photocopy, handling and administrative costs and reasonable attorney's fees, in responding to an attachment, garnishment, levy or other legal process that is not otherwise reimbursed, then we may charge, in addition to other amounts set forth herein, such expenses to your account without prior notice to you.

Account Balances, Non-Sufficient Funds (NSF)/ Overdrafts & Related Fees

ACCOUNT BALANCES - After the close of each business day, all credits or debits occurring in your account since the close of the prior business day are "posted"—added to or subtracted from your daily account balance. The

balance that is used and adjusted during item posting is referred to as the "ledger balance." Debits are posted against your ledger balance in the order set out in the section of this Agreement entitled *Account Posting Order*.

During this posting, if a debit exceeds your ledger balance at the time it is posted causing a negative balance, we may return the debit unpaid or pay the debit and overdraft the account. Except as otherwise set forth herein (for example, if you have opted into Overdraft Protection), the payment of any debit that would overdraw the account is at our sole and absolute discretion. We reserve the right not to pay any debit for which there are not sufficient available funds. If we pay the debit against insufficient funds and the resulting overdraft exceeds \$5.00, you will incur an overdraft NSF fee and, if the resulting overdraft is not corrected within seven (7) business days, additional continuous overdraft NSF fees. If we decline and/or return the item unpaid, you will incur a return NSF fee. In either case, we require that you promptly deposit sufficient funds to correct any negative balance, including any related NSF fees.

The ledger balance does not change between posting periods. The ledger balance at the close of end-of-business-day account posting will be the starting ledger balance at the beginning of the next business day's account posting period. We also calculate an "available balance," which changes as credits and debits are made in the account in "real time," and a "current balance." Unlike available balance, current balance does not immediately reflect Debit Card purchases or ATM withdrawals, and does reflect any amount of your check deposits subject to delayed availability under our *Funds Availability Policy Disclosure*.

The account balance information made available at a non-Popular ATM or, if applicable, a POS terminal, is typically the available balance. Depending on the ATM or POS network, however, the ledger balance may also be provided, although it may be described as, for example, "total" balance. If you make a balance inquiry at a Popular ATM, you will receive your available balance and your "current balance."

The ledger balance, current balance, and available balance will often be the same at the start of each banking day. The available balance and the current

balance will change as certain credits and debits are made in the account during the day, but the ledger balance will remain the same until the posting period at the close of the business day. If you have any questions about your available balance, current balance, or ledger balance, please call us.

OVERDRAFT PROTECTION - We offer overdraft protection to help you manage your account to avoid both return and overdraft NSF fees. If you enroll in our Overdraft Protection plan, when a debit is presented against non-sufficient funds in one of your protected accounts, we will automatically draw funds from another designated account to cover the debit and thereby avoid either returning the debit unpaid (resulting in a return NSF fee) or paying the item and overdrawing the account (resulting in an overdraft NSF fee). As part of the Overdraft Protection enrollment process, you will be required to identify the account(s) that you want to be protected by this service, as well as the "funding" account(s) from which the funds to cover the debit(s) will come. The funding account can be any of the following: a secondary checking, savings, or money market account, or a qualified line of credit.

If you have enrolled in Overdraft Protection, subject to our approval and applicable law, we will transfer funds from the funding account to the protected account(s) as necessary to cover the debit(s) presented. Because transfer fees will apply, please see our *Schedule of Fees* for additional information. In addition, please note that transfers made from savings and money market accounts will count towards the monthly limit of six (6) transfers permitted by federal law.

Overdraft Protection depends on you having sufficient funds in the funding account to cover debits presented against your protected account(s). If you do not maintain sufficient funds in the funding account, we will not transfer funds to cover the debits presented. In that case, we reserve the right to, in our sole and absolute discretion, decline or otherwise return the debit unpaid or pay the debit and overdraw the account, and charge the corresponding overdraft NSF fee against the account.

OVERDRAFT COVERAGE FOR ATM AND DEBIT CARD TRANSACTIONS - We will not authorize and pay overdrafts for ATM transactions and everyday Debit Card transactions unless you ask us to. In order to affirmatively

consent, or opt in, to overdraft coverage for these transactions, you must complete a What You Need to Know about Overdrafts and Overdraft Fees Form by visiting your local branch, by calling us at 1.888.610.5925 or by mailing your request to Popular OPT-IN Debit Card Coverage, P.O. Box 4906, Miami Lakes, Florida 33014. The form can be found on our website at www.popular-bank.com/popular-mastercard-debit-card/. Scroll to the bottom of the page and select "ATM/Debit Card Overdraft Coverage."

If you opt in, we will charge overdraft NSF fees in the amounts disclosed on the What You Need to Know about Overdrafts and Overdraft Fees Form and in our *Schedule of Fees*. Fees will reduce the amount of overdraft coverage available to you. If you have not agreed to this service, then these transactions will be declined for insufficient available funds and we will not charge an overdraft NSF fee.

If you have questions, please visit your local branch or call 1.888.610.5925. You may revoke your consent to opt-in on ATM and everyday Debit Card transactions at any time by visiting your local branch, by calling 1.888.610.5925 or by mailing your request to Popular OPT-IN Debit Card Coverage, P.O. Box 4906, Miami Lakes, Florida 33014.

STANDARD OVERDRAFTS - If you do not have Overdraft Protection, our standard overdraft practice, which applies for checks and other transactions made using your checking account number, automatic bill payments and/or recurring Debit Card transactions, is to either return the item unpaid or pay it and overdraw your account. Whether we return or pay the item is discretionary and depends on a number of factors, including the amount of the item, the type of transaction and the past activity in your account. In either case, we may charge you a NSF fee. Such fee will be charged to an account whether or not Social Security benefits have been or will be deposited into the account. Additional information and other fees that may apply to your account are described in the What You Need to Know about Overdrafts and Overdraft NSF Fees Form and our *Schedule of Fees*.

Notice of Changes

We will inform you of changes to your rights and obligations by providing a notice to you, as required by applicable law. In some cases, we may post a notice of a

change in our banking offices or on our website, www.PopularBank.com. Otherwise we will either mail the notice to you at the address that we currently have in our records or, if you have agreed to this method, we will provide it to you electronically. We may include a notice with or on your statement. If you don't receive a notice, the changes will still be effective. You will be deemed to have accepted the changes if you continue to use your account or the service impacted by a change.

If we receive notices at the branch for you, we will mail them to you. If any notices we mail to you are returned to us, then we may destroy them. If a notice of a change to this Agreement is received at a branch or returned to us (including a notice sent on or with a statement), then the change contained in the notice is still effective.

For accounts with more than one Account Owner, we may send notices to any one Account Owner. A notice sent to any one Account Owner is effective for all.

Privacy Statement

Please refer to the *Popular Privacy Policy*, which is provided in a separate disclosure.

Right of Refusal and Termination of Account

We reserve the right to refuse to open any account or to service an account or to accept additional deposits to an existing account, or to comply with any instruction or request that you make. We may terminate your account or other relationship with us at any time and without notice. We reserve the right to terminate, freeze or restrict an account at any time including in one or more of the following circumstances:

- An account is involved in any legal or administrative proceeding;
- We receive conflicting information or instructions regarding account ownership, control or activity;
- We suspect that you may be the victim of a fraud, scam or financial exploitation, even though you have authorized the transaction(s);
- We suspect that any transaction may involve illegal activity or may be fraudulent;
- We are complying in our sole judgment, with any applicable law, rule or regulation, including Office of Foreign Assets Control (OFAC) sanctions and anti-money-laundering rules, or with our policies adopted

to assure that we comply with those laws, rules or regulations; or

- We reasonably believe that doing so is necessary to avoid a loss or reduce risk to us.

We also may limit cash deposits to, or withdrawals from, any account in a single transaction or total withdrawals or deposits during any period of time, or who may make deposits, in order to reduce risk and/or enhance our efforts to comply with applicable law.

We may require written notice of an intended withdrawal from any savings, money market, or interest-bearing checking account not less than seven (7) days before the withdrawal is made, consistent with applicable law. We will have no liability for any action we take under this section.

Right of Setoff

If you are indebted or become indebted to us, we have the right to pay or satisfy any of your debts by applying funds from any account(s) held by us, if allowed by applicable law. If the Bank exercises this right of setoff, then we will mail you written notification together with the reasons for the setoff on or prior to the day we process the setoff. If your deposit account(s) is a joint account, then funds will be debited for payment, regardless of how much was deposited by each Account Owner. This may also be accomplished through the sale of any repossessed vehicle(s) or property foreclosed on. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against the account. You agree to hold us harmless from any loss, damages, liabilities or claim arising as a result of the exercise of our right of setoff.

Statements and Notices

Our statements and notices are in English. Further services are available for the visually impaired such as large print and color contrast enhanced format. For the hearing impaired, our Customer Care Center accepts relay calls via Teletypewriter. If you need further assistance, please call our Customer Care Center at 1.800.377.0800. Your Account Product Disclosure will outline how frequently we will send account statements.

Statement Review and Reporting Problems

We will provide periodic account statements to you, except for passbook savings and certificate of deposit

("CD") accounts. The statement account balance is not final until we have compared the amount to our records. We reserve the right not to provide statements on accounts which we consider to be dormant. You agree to promptly and carefully review your statement and any accompanying items (notices, images of canceled checks, and information identifying canceled checks) upon receipt. You must report an unauthorized or missing signature, alteration, counterfeit check, or fraud within a reasonable time (within thirty (30) days) after we send or make your images of canceled checks available to you, by calling our Customer Care Center at 1.800.377.0800 or by visiting a branch. Additionally, if you fail to report an unauthorized transaction on your account statement within the time frame specified, we are not responsible for subsequent unauthorized transactions on your account by the same person.

ELECTRONIC WITHDRAWALS - If you suspect that someone has made an unauthorized electronic withdrawal from your account, you agree to report it immediately by calling our Customer Care Center at 1.800.377.0800 or by visiting a branch. For unauthorized electronic funds or transfers, or any other electronic funds transfer claims, please refer to the *Electronic Funds Transfer Agreement and Disclosure*.

OTHER PROBLEMS - You agree that thirty (30) days after we send you a statement (or otherwise make it available to you) is a reasonable amount of time for you to review your statement and report any problems related to your deposit account, such as an erroneous entry, improper charges, or missing or unauthorized endorsement(s).

WRITTEN NOTIFICATION - We shall not be liable for errors, irregularities, unauthorized signatures, or alterations unless you notify us in writing of the claims mentioned above within the time frames established herein, and you agree not to commence any legal action or proceeding against us regarding such claim unless you do so within one year of the date we send or otherwise make available the statement, notice, or advice in question. You agree that you cannot make a claim against us relating to any unreported problems or unauthorized transactions.

Stopping Payment on Official Checks

If an official check issued by us is lost, stolen or destroyed,

then we may, at our sole discretion, stop payment on the check if you and/or the payee sign a stop payment order and provide us with an acceptable corporate indemnity bond from an acceptable bonding company for double the amount of the official check under terms that are acceptable to us. A fee may be charged for each stop payment order received.

Stopping Payment on Cashier's Checks and Money Orders

You do not automatically have the right to stop payment on cashier's checks or money orders that you purchase from us. In the event that a cashier's check or money order is lost, stolen or destroyed, please contact us for the procedures to follow to obtain reimbursement or have the cashier's check or money order reissued. In general, you will have to complete a Declaration of Loss form, describing the cashier's check or money order and how it came to be lost, stolen or destroyed, and sign the Declaration of Loss under penalty of perjury. We must then wait ninety (90) days from the date that the cashier's check or money order was issued before we can pay your claim. If ninety (90) days has already passed, then we will act on your claim within a reasonable time. If the check is presented during the 90-day waiting period, then we may pay the item to a person entitled to enforce the check. If this happens, then we will not pay your claim.

Unlawful Internet Gambling

We will not open or maintain accounts that engage in unlawful Internet gambling. The Federal Reserve Regulation GG, which was issued under the Unlawful Internet Gambling Enforcement Act, prohibits business customers from receiving deposits of any kind relating to illegal Internet gambling. Restricted transactions, as defined by this regulation, are prohibited from being processed through the account or relationship.

Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful internet gambling. Your account(s) may not be utilized to process unlawful internet gambling transactions specifically restricted by local, state or federal law. We reserve the right to decline all internet gambling transactions, and to terminate any relationships where these transactions are identified.

By opening an account, you certify that the accounts in any variation of your business name, or any “doing business as” name attached to this business, are not used in connection with unlawful internet gambling within the meaning of the Federal Reserve Regulation GG. Further, you agree to notify the Bank in writing immediately if any of your accounts are used in connection with such activities in the future.

If you do engage in Internet gambling, then you will be required to provide documentation that the activity is legal as per local, state or federal law.

Unregistered Money Service Businesses (MSBs)

Pursuant to government regulations, any entity that cashes checks and provides currency back to any one customer in excess of \$1,000 on any one day is required to be registered with FinCEN (Financial Crimes Enforcement Network, U.S. Department of the Treasury) as a Money Service Business (“MSB”). See below for additional MSB registration requirements.

Proof of MSB registration may be required at account opening or at any time. We will provide a reasonable time (currently sixty (60) days) for the entity to provide proof of MSB registration and other MSB program requirements as required by FinCEN. If such proof is not provided, we reserve the right to immediately close the account.

MSB registration requirements also apply to any person doing business, regardless of whether or not on a regular basis or as an organized business concern, in one or more of the following capacities, unless it is in the capacity as an agent of another MSB:

- Check cashing (more than \$1,000 for one person in one day)
- Currency dealing or exchange (more than \$1,000 for one person in one day)
- Issuing, selling, or redeeming travelers’ checks, money orders or stored value cards (more than \$1,000 for one person in one day)
- Money transmitting (any amount).

Use of Wireless Devices

To safeguard against potential misuse of your account, you should only access your account through online banking or mobile banking from a secure non-public wireless network, and you should protect your device by

using a password and auto-lock function. It is important that you take the proper precautions and use good judgment to protect your information from being intercepted. If you suspect that someone has made an unauthorized electronic withdrawal from your account, you agree to report it immediately by calling our Customer Care Center at 1.800.377.0800 or by visiting a branch. For unauthorized electronic funds or transfers, or any other electronic funds transfer claims, please refer to the *Electronic Funds Transfer Agreement and Disclosure*.

Using an Account for Business Purposes

If you use a personal account for business purposes, then we may elect to either close the account or to convert the account into a business account. If we decide to convert your account, then we will notify you at least thirty (30) days in advance, and you must provide all required documentation.

Disclosures Pertaining to the Check Clearing for the 21st Century Act (Check 21)

In compliance with Check 21 and the relevant provisions of Federal Reserve Regulation CC, which regulates check processing, we provide the following disclosures about the terms and conditions applicable to substitute checks and the rights and responsibilities that you as depositor have in relation to them:

Substitute Checks and Your Rights

1. What is a substitute check? To make check processing faster, federal law permits banks to replace original checks with “substitute checks.” These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: “This is a legal copy of your check. You can use it the same way you would use the original check.” You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights that you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

2. What are your rights regarding substitute checks?

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses that you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You are also entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, then you may be able to recover additional amounts under other law.

If you use this procedure, then you may receive up to \$2,500 of your refund, plus interest if your account earns interest, within ten (10) business days after we have received your claim and the remainder of your refund, plus interest if your account earns interest, not later than forty-five (45) days after we have received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

We may delay the availability of the funds credited to your account on the 10th business day until the earlier of the next business day after we determined that the claim is valid or the 45th day from the date we received your claim under the following circumstances:

- If you open a new account and you are a new customer.
- If you have repeatedly overdrawn the account during the preceding 6 months; or
- If we have reasonable cause to believe that the claim is fraudulent.

We will send you a written explanation of our action on a recredit claim no later than the next business day

following the day we conclude our investigation. You may ask us for copies of the documents used in the investigation.

How do you make a claim for a refund? If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us. You may call our Telephone Banking and Customer Service at 1.800.377.0800. Customer Service Representatives are available Monday through Friday from 7:30am to 12:00am ET, and Saturday and Sunday from 9:00am to 6:00pm ET. You may also write to the following address:

Customer Care Center
P.O. Box 4906
Miami Lakes, FL 33014

You must contact us within forty (40) days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check and/or the following information to help us identify the substitute check: information such as the check number, the name of the person to whom you wrote the check, and the amount of the check.

Rules and Regulations Applicable to Deposit Accounts

The applicable Account Product Disclosure and Rate Sheet (made a part of this Agreement) provides additional information about the deposit accounts we offer.

CHECKING ACCOUNTS

This is an account which allows deposits and withdrawals and provides you with the right to draw checks or drafts against deposits in the account. Checking accounts do not earn interest.

Examining Checks

We receive checks in great volume. This fact as well as compliance with expedited funds availability laws require us to use automated check processing procedures. Like most other banks, we select some checks for review on the basis of certain criteria that change from time to time. This means that most checks are processed on the basis of the MICR (Magnetic Ink Character Recognition) line printed along the bottom edge of the check, and are not individually examined for dates, maker signatures, legends or endorsements. You agree that we will have exercised ordinary care if we examine only those items that we have identified pursuant to certain minimum criteria that we may establish for inspection purposes. Since we do not individually examine most checks, it is critical for you to take care of your checks, promptly review your statement, and immediately report any suspicious or unauthorized activity to us as set forth herein. You agree that automatic processing of your checks is reasonable and that you have responsibility for preventing and reporting forgeries, alterations, and other unauthorized uses of your checks or accounts.

Since some types of check fraud have become more difficult to detect, we may elect in some cases to make further inquiries about certain checks that are presented for payment against your account. If we are unable to contact you, or take other steps, to determine with reasonable certainty that these payments are authorized by you, we may return the checks unpaid without any liability by us to you.

Legal Proceedings

If your account becomes involved in legal proceedings or the ownership of, or right to make withdrawals from your account is in question for any reason, then we may restrict your use of it by placing a hold on the account or by otherwise freezing your account.

Also, when you report missing, stolen, or unauthorized checks, drafts and items, we may recommend that you close your current account and that you open a new one. If you then decline to do so, then we are not liable to you

for subsequent losses on the account due to forgery or other fraud. When you open a new account, you must notify any third parties that need to know your new account number.

Should you report that a forgery, alteration or other unauthorized transaction has occurred on your account, you agree to cooperate with us in the investigation of your claim to recover the funds, as well as to assist us in seeking criminal and civil penalties against the person responsible. This includes giving us an affidavit containing whatever reasonable information that we require concerning your account, the transaction and the circumstances surrounding the loss. You also agree to file a criminal report against all suspected wrongdoers with the appropriate law enforcement authorities and you agree to cooperate with us in any prosecution of the wrongdoer. You agree that we have a reasonable period of time to investigate the facts and circumstances surrounding any claimed loss and that we have no obligation to provisionally credit your account.

Our maximum liability is the lesser of your actual damages proved or the amount of the forgery, alteration or other unauthorized withdrawal, reduced in all cases by the amount of the loss that could have been avoided by the use of ordinary care. We are not liable to you for special or consequential damages, including loss of profits and opportunity or for attorneys' fees incurred by you. We are not liable for any items that are forged or altered in such a way that we cannot reasonably detect the forgery or alteration.

For claims regarding an electronic funds transfer, please refer to the *Electronic Funds Transfer Agreement and Disclosure*.

Check Imaging

We will provide you with an image of your canceled checks instead of returning the checks to you in your account statement. Check imaging is a process of capturing, indexing, storing and retrieving electronic images of checks. Imaging systems replace the handling, distribution and storage of checks with electronic images. The images are retained by the Bank for a period of seven (7) years from the date of posting.

By opening or using your account, you agree to this procedure and authorize us to destroy the original items

and checks. You agree to allow any imaged document, or copy thereof, to serve as an original item for any and all purposes, including charging your account or determining the validity of any signatures or otherwise.

Remotely Created Checks

If you use or authorize another party to issue a demand draft or remotely created check against your account, or if you voluntarily give information about your account (such as our routing number and your account number) to a party who is seeking to sell you goods or services, and you don't deliver the check physically signed by you to the party, then any demand draft, remotely created check or other debit to your account initiated by the party to whom you gave the information is deemed authorized even if it differs in amount, frequency or timing from your intentions or agreement with that party. You agree that you will not hold us responsible for any loss, damage or other costs resulting from your having used or authorized another party to create a demand draft.

Deposit Reclassification

Under federal law, we are required to classify our deposits a certain way for regulatory reporting purposes. The following disclosure explains a change that we may make to your account that will not affect your available balance, interest earnings, FDIC insurance, or bank statement. We are simply changing the way that we report deposit accounts to the government.

The account will consist of a checking sub-account and a savings sub-account. The Bank may periodically transfer funds between these two sub-accounts. On a sixth transfer during a calendar month, any funds in the savings sub-account will be transferred back to the checking sub-account. If your account is one on which interest or dividends are paid, then your interest or dividend calculation will remain the same. Otherwise, the savings sub-account will be non-interest-bearing. The savings sub-account will be governed by the rules governing our other savings accounts.

Check Processing Order

We process checks along with other account access devices. For more information on our processing order, see the section of this Agreement entitled *Account Posting Order*.

Returned Items

If a check or other item you deposit or we cash is returned to us for any reason and at any time, we may debit your account for the amount of the item. We may debit your account for any interest you may have provisionally earned on the item.

We may also charge you a fee for each returned item. We may debit your account for a returned item after the earlier of either the day it is returned to us by electronic or other means, or the day we receive notice that the item is being returned to us.

Furthermore, if an item deposited in your account has been paid by the financial institution on which it is drawn and that institution later returns the item to us claiming that it was altered, forged or unauthorized or should not have been paid for any other reason, we may debit your account for the amount of the item. We will resubmit any returned items for payment. And if the item is returned to us a second time, an additional returned item fee will be charged.

If you have insufficient funds to cover a returned item, we may overdraw your account. In the event that we honor an item that is not a check or an item which creates an overdraft in the account, you agree to deposit sufficient funds to cover the overdraft and/or any other applicable charges. You also agree to reimburse us for any costs incurred in the collection of the overdraft including, without limitation, attorneys' fees and litigation expenses authorized by law. We may pay other items drawn against the account, even though the payment of a particular item may cause an overdraft to honor other items that may otherwise have been honored. If there are insufficient funds in the account and the account is not subject to overdraft coverage, it is subject to a return item charge, according to the existing charges established by us.

The items drawn against unavailable funds may also be subject to charges in the account. For more information on overdrafts, see the section of this Agreement entitled *Account Balances, Non-Sufficient Funds (NSF)/Overdrafts & Related Fees*.

In some cases, the financial institution on which the returned check or other item is drawn may send us an electronic notice of return instead of returning the item.

We may act on, and you agree to be bound by, the electronic notice of return just as if the original item had been returned. We may process a copy or other evidence of the returned item in lieu of the original.

Payment of Checks and Other Items

We may refuse to pay any check or other item if the same: (i) is incorrectly and/or incompletely issued or endorsed; (ii) is issued in a form not authorized by us; (iii) is unauthorized for the account; (iv) exceeds the frequency and/or the amount of withdrawals allowed for that type of account; (v) is drawn for a smaller amount than the minimum permitted for that type of account, or for any other reason permitted by law. We are under no obligation to pay for an item drawn against your account if you do not have sufficient funds to cover the total amount of the item or if the item is not in compliance with the provisions of this Agreement. If there are sufficient available funds to cover some, but not all, of the items against the account, we, the Bank, at our sole option, may decide which items to honor. For more information on overdrafts, see the section of this Agreement entitled *Account Balances, Non-Sufficient Funds (NSF)/Overdrafts & Related Fees*. We may dishonor an item drawn against the account if the account is subject to a dispute or controversy (unless a court with jurisdiction ordered a permission to pay the item), or if the account is subject to an attachment or liens, or if it has been assigned to secure an obligation, if availability of funds cannot be verified, or if the account has been debited to liquidate a past due obligation with us. In the event that we erroneously return an item, we will be liable to you only for the direct damages resulting from said error, and this liability will be limited to actual damages proved clearly and conclusively by you. Damages to your reputation, business, or activities will not be presumed.

Automated Clearing House (ACH) Transactions and Wire Transfers

Credit given by us to you with respect to an ACH credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement, then you are hereby notified and you agree that we are entitled to a refund of the amount credited to you in connection with the entry, and the party making payment to you (i.e., the originator

of the entry) will not be deemed to have paid you the amount of such entry.

Under the Operating Rules of the NACHA, the Electronic Payments Association that are applicable to ACH transactions involving your account, we are not required to give next-day notice to you of receipt of an ACH item, and we will not do so. However, we will continue to notify you of the receipt of payments in periodic statements that we provide to you.

When receiving an ACH credit or a wire transfer of funds, payment may be made by us, or by other banks to which the payment order is forwarded, based solely on the account number, even if the account number identifies a beneficiary different from the beneficiary named by the originator of the payment order. Furthermore, when receiving a payment order, we may rely, and any other banks to which the payment order is forwarded may rely, on the Bank identification number provided in the payment order, even if the identification number identifies a bank different from the bank named by the originator of the payment order. See the *Electronic Funds Transfer Agreement and Disclosure* for additional information.

Stop Payment of Checks

You must place any stop payment order in the manner required by law and we must receive it in time to give us a reasonable opportunity to act on it. To be effective, your stop payment order must precisely identify the number, date, and amount of the item and payee. Once placed, the stop payment order will be effective for six (6) months, but it lapses after fourteen (14) days if the original order was oral and it was not confirmed in a record within that period. In requesting the stop payment order, you agree to indemnify, defend and hold the Bank harmless for all expenses and costs incurred by you on account of refusing payment, and further agree not to hold the Bank liable on account of payment contrary to this request if it occurs through inadvertence, accident or oversight, or if by reason of such payment, other items drawn by you are returned non-sufficient. The law provides additional limitations on our obligation to stop payment. We will honor a stop payment order placed by the person who signed the particular item, and by any other person, even though such other person did not sign the item, if such person has an equal or greater right to

withdraw from the account than the person who signed the item in question. A fee may be charged for each stop payment order or renewal thereof (refer to our *Schedule of Fees*). We may pay an item after any stop payment order placed on it expires.

Different rules apply to stop payment orders associated with pre-authorized transfers as stated in the *Electronic Funds Transfer Agreement and Disclosure*.

Facsimile Signature

If you use a facsimile signature, then you are responsible for any withdrawal from your account that bears or appears to us to bear a facsimile signature that resembles or purports to be the signature of a person authorized to withdraw funds. You are responsible even if the size, color or style of the check or the size, color of the facsimile signature is different from that of any signature previously presented to us. We may pay the withdrawal and may charge your account for it.

You agree to reimburse us (and we may charge your account) for all claims, costs, losses or damages, including attorneys' fees, that result from our payment of a withdrawal bearing either a facsimile that resembles or purports to bear your signature or a facsimile that we believe you authorized.

Deposits by Mail

When you send us a deposit by mail, or you place a deposit in our lobby or other depository, it will be treated as received by the Bank on the actual day of delivery. The date of delivery shall be the day the Bank removes the mail from the depository or the day it is delivered to the Bank from other sources, for example, U.S.P.S. mail, courier or messenger.

Mobile Check Deposits

If you make a deposit via the Popular Mobile Check Deposit service before the cut-off time on a business day that we are open, then we will consider that day to be the day of your deposit. However, if you make a deposit via the Popular Mobile Check Deposit service after the cut-off time on a business day that we are open or make a deposit on a business day that we are not open, then we will consider the deposit to have been made on the next business day that we are open. Please refer to the *Funds Availability Policy Disclosure* for more details. Terms and conditions apply with Popular Mobile Check Deposit

service. Mobile Check Deposits are subject to approval and may not be available for immediate withdrawal.

Miscellaneous Collection Items

We may accept certain items—such as checks payable in foreign currencies or at foreign locations—on a collection basis only. We route and process collection items separately. We normally credit your account for collection items only after we receive payment for them, but if we do credit your account and then do not receive payment, we may debit your account for the amount of the item. We charge you fees for processing collection items. These fees apply even if the collection item is returned unpaid. For current fees, call our Customer Care Center at 1.800.377.0800, or ask a branch representative. The financial institution on which the collection item is drawn may also charge you fees. If the other financial institution requires payment of a fee before that institution will process the collection item, then we may pay the fee and charge your account. Otherwise, the other financial institution may subtract its fee from the amount of the payment that we receive. These fees may apply even if the collection item is returned unpaid. If final settlement is not possible, or if cash items must be reversed, then we are expressly authorized to debit, without prior notification, any of your accounts for: (i) the amount of the item; (ii) the penalty fee imposed by us on returned items; (iii) interest paid on the deposited items; and (iv) any other related charges.

When another financial institution submits an item drawn on your account to us on a collection basis, we may charge the other financial institution a fee. When you do not have enough funds in your deposit account for us to process a collection item drawn on your account, we may charge you a non-sufficient funds fee. Withdrawals will first be made from collected funds, and we may, unless prohibited by law or our written policy, refuse any withdrawal request against uncollected funds, even if our general practice is to the contrary. Please refer to our *Schedule of Fees*.

In addition, you acknowledge and agree that we will not be liable for any failure to act or delay in acting with respect to a foreign check or other foreign item, such as an international ACH item, if such failure or delay is caused by legal constraint (including, but not limited to, suspected violations of an Office of Foreign Assets Control

(OFAC) sanctions policy) or other rules to which we are subject (including, but not limited to, NACHA rules).

Demand Drafts

If you deposit a demand draft (an unsigned draft or a pre-authorized draft) into your account, then you warrant and guarantee that the draft is authorized.

Deposit Error Correction

When we receive your deposits, we may provisionally credit your account for the amount declared on the deposit slip, subject to later verification by us. You must ensure that the amount declared on the deposit slip is correct even if you did not prepare the deposit slip. If later we determine that the amounts declared on the deposit slip are incorrect, we may adjust (debit or credit) your account.

Endorsing Checks

We reserve the right to restrict: (i) both how you endorse checks that you ask us to cash or deposit; or (ii) the type or endorsements that you may place or have preprinted on the backs of checks. If you place or imprint information on the back of the check, then it may overlap with the area reserved for bank endorsements. If it becomes necessary for us to return one of your checks, then the material placed on the back of the check may interfere with the bank endorsements and cause delays in returning the item. You agree to reimburse us for all claims, cost, losses and damages that result from the late return of a check due to mark(s) or material entered on the back of the check that obscured or interfered with our or another bank's endorsement.

You must endorse checks in the area that extends 1½ inches from the trailing edge of the back of the check. The trailing edge is the left side of the check when you look at it from the front. If your endorsement obscures or interferes with the Bank's or another bank's endorsement, then you are liable for checks that are returned late and unpaid.

Identifying the Account

You must correctly identify the account to which you want funds deposited. You are responsible for any claim, costs, loss or damage caused by your failure to properly identify the account to which a deposit is made or intended to be made. We may credit an account based solely on the account number listed on the deposit slip or

other instruction to credit an account, even if the name on the deposit slip or other instruction differs from the name on the account.

Lost Checks

When we cash a check for you or accept a check for deposit to your account, we are acting as your agent in collecting the check. We are not responsible if the check is lost or delayed in the collection process. If a check is lost during the collection process, then we may charge your account for the amount of the check. If the financial institution on which the check is drawn gives us a photocopy of the check or a debit slip representing the check, then we may charge your account for the amount of the check.

A lost check may not be returned to us for some time. Despite any delay, we may charge your account when we receive either the returned check, a copy of the check, or a notice of return.

Third-Party Endorsement

We may require that checks and other items that you want to deposit or cash, be endorsed by all parties to whom the items are payable. We may require that any third parties have their bank verify or guarantee their endorsements. We do not generally accept third-party endorsed checks. Checks for deposit should be made payable to and endorsed by the same person(s) whose name(s) appear on the account.

Check Cashing

If a non-customer wants to cash your check at one of our branches, then we may require identification that is satisfactory to us and we may charge them a fee for cashing the check. We may also impose additional requirements, such as requiring their fingerprint or limiting the locations where we pay the check in cash. If the person with your check fails or refuses to satisfy our requirements, then we may refuse to cash the check. We are not liable to you for refusing to cash the check or for charging a check-cashing fee.

Because you are our customer, we would normally cash checks for you. However, if there are insufficient available funds in your account to cover the amount of the check, then we may refuse to cash the check written to you. In such cases, we may request that you deposit the check to your account and limit your withdrawal to

the available funds in your account. If we do cash such a check and it is returned to us unpaid for any reason and at any time, then we may deduct the amount of the check from your account and we may charge you a fee. Checks made payable to any entity, such as a partnership or corporation, must be deposited to the entity's account.

Stale- and Post-Dated Checks

We are not required to pay any item presented more than six (6) months after its issuance date. However, if a stale-dated check—that is, a check dated more than six (6) months in the past—is presented for payment against your account, then we may pay the check and charge it to your account. A post-dated check is a check that bears a date later than the date that it is presented. Under the law we are not liable if we honor a post-dated check upon presentation. If you do not want us to pay a stale- or post-dated check, then you must place a stop payment order on it.

Check Legends/Notations

Some customers order checks printed with legends or notations, such as "not valid after 60 days" or "not valid over \$1,000." We may also receive checks on which restrictions or other notations are written. We may disregard these instructions. We are not responsible for any losses, claims, damages or expenses that result from your placement of these or other notations on your checks, or from our disregarding them.

Large Cash Withdrawals

We may require forty-eight (48) hours advance notice for large cash withdrawals. We may also refuse to honor a request to withdraw funds in cash from your account or to cash a check (including a cashier's check or other official item) at a branch, if we believe that the amount is unreasonably large or that honoring the request would result in undue hardship or a security risk. We may require that such withdrawals be made at one of our cash vaults by an armored courier, acceptable to us and at your sole risk and expense. We are not responsible for providing for your security in such transactions.

Sample Signature

To determine the authenticity of your signature, we may refer to the Signature Card or to a check or other document upon which your signature appears.

Withdrawal Restrictions

The Bank may refuse to allow withdrawals in cases such as, but not limited to: (i) a withdrawal made against a deposited check or other order not yet available for withdrawal, (ii) a court order prohibiting withdrawals, (iii) any lack of identification that we require for withdrawals, (iv) an inability to determine the account's available balance, or (v) as required by law.

PASSBOOK ACCOUNTS

Withdrawals from Passbook Accounts

The passbook is the voucher of the account and you as the Account Owner. Payments made to persons presenting the passbook, provided we have exercised ordinary care in examining the signature on the withdrawal order, shall be considered good and valid payments. We will not be liable to you or your personal representatives for the amount so paid unless we have been notified previously in writing that the passbook has been lost, destroyed, or stolen and we have had a reasonable opportunity to act on such notice.

Lost Passbooks

If your passbook is lost, destroyed or stolen please contact your branch or call our Customer Care Center at 1.800.377.0800 for assistance.

MONEY MARKET ACCOUNTS AND SAVINGS ACCOUNTS

Accrued Interest and Withdrawals

As explained in the Savings Account Disclosures, accrued interest is credited to your account on the last business day of the monthly statement cycle. When you withdraw funds from your account, only the credited interest is available to you. Any interest accrued through and including the last business day of the monthly statement cycle that has not posted will not be paid.

Restrictions on Money Market and Savings Accounts

You are permitted to make no more than six transfers and withdrawals per statement cycle (or similar period of at least 4 weeks) by means of (i) preauthorized, automatic, or telephonic arrangements, and (ii) checks (if available for the account), drafts, debit cards or similar orders payable to third parties. These limitations are applied according to the date when the transaction is posted to the account and not the date when a transfer is authorized or a check is written. The limits do not apply to withdrawals made at a branch teller window, at one of

our ATMs or by mail. If you exceed these limits, we may, at our option, convert your account to an account not subject to these restrictions or we may close your account.

TIME DEPOSITS (CDs)

CD accounts will automatically renew at maturity unless you have instructed us otherwise, see the Account Product Disclosures. If you have instructed us not to renew your CD, then it will not earn interest after maturity. If you close your CD during the grace period, then any interest accrued since the maturity date will not be paid.

Early Withdrawal Penalties

Early withdrawal penalties are specified on the Account Product Disclosures of each product provided at the time the CD is opened. Payment of the above penalties will be made at the time of the withdrawal as a deduction from either the amount of interest accrued and/or the account's remaining principal balance, at the Bank's option. For all CDs, interest credited to the account may be withdrawn prior to the maturity date of the CD or will be considered principal at renewal. We may close the account and charge an early withdrawal penalty if withdrawals would cause the balance to fall below the minimum balance required to maintain the account.

Early Withdrawal without Penalty (Excluding Retirement Accounts)

Withdrawal of principal on any CD may be made without penalty on the death or determination of legal incompetency of any owner of the account. To authorize such withdrawal on the grounds of legal incompetency, the Bank may, at its option, require a certified copy of the court or administrative order or decree establishing the incompetency. Refer to the Account Product Disclosures for information on early withdrawals without penalty.

Grace Period

If your CD automatically renews at maturity, then you have a grace period of ten (10) days after the maturity date to withdraw funds from your CD without being charged a penalty. During the grace period, you may increase the amount of the CD up to the maximum account balance permitted for the applicable account.

Issuance of CDs

CDs may be accepted by the Bank on such terms, and may be issued in such form or forms, as determined from time to time by the Bank. The Bank may make the

payment of principal or interest payable on any CD without requiring supporting documentation.

Negotiability

Retirement accounts and CDs are non-negotiable and non-transferable, and no right, title or interest to or in them may be assigned or in any manner transferred. However, CDs may be assigned to the Bank as security, if allowed by law.

Electronic Funds Transfer Agreement and Disclosure

We offer electronic funds transfer services ("EFT Services") on many of our accounts. The types of EFT Services that we offer and the limitations on those Services are described below. We provide these EFT Services only to Account Owners who qualify and who request the Services. For purposes of these disclosures, our business days are Monday through Friday. Banking holidays are not included.

PLEASE READ THIS EFT AGREEMENT AND ANY EFT DISCLOSURES RELATED TO THE SERVICE CAREFULLY AND KEEP A COPY FOR YOUR REFERENCE.

They include important consumer rights.

Debit/ATM Cards

In general, we will offer you a Debit Card when you open a checking account and an ATM Card when you open a money market account or a savings account with us. "Debit Card" and "ATM Card" are defined differently and may have unique services and fees associated with each. As used in this agreement: (i) "Debit Card" refers to the Popular Mastercard® Debit Card that you may receive when you open a checking account with us; (ii) "ATM Card" refers to the card, not branded with the Mastercard® logo, that you may receive when you open a money market account or a savings account with us, and that can only be used to withdraw or deposit funds and obtain account balance information; (iii) "Popular ATM" refers to an automated teller machine belonging to the Bank (which in NY, NJ, and FL may be branded "Popular"); (iv) "Allpoint® ATM" refers to an automated teller machine belonging to the Allpoint® network of ATMs; and (v) "ATM" used generally may refer to a Popular ATM, an Allpoint® ATM, and to automated teller machines

belonging to other banks or entities that are members of networks of which we are a member, in addition to POS programs which are available to our customers. When using any non-Popular ATM (including any Allpoint® ATM) to access your Popular deposit account, additional fees or surcharges may be imposed by another institution or owner of such ATM, the network used to complete the transaction, or by Popular. Popular Bank and its affiliates are not affiliated with ATM National, LLC. Allpoint is a registered trademark of ATM National, LLC.

For more information about the fees imposed by Popular, please see the current *Schedule of Fees* or the product-specific disclosures relating to your account, or ask your banker for details.

You may use your applicable Debit Card or ATM Card and PIN to:

- Withdraw cash from your checking, savings or money market accounts that are linked to the applicable Debit Card or ATM Card.
- Make deposits to your checking, savings or money market accounts that are linked to the applicable Debit Card or ATM Card.
- Transfer funds between your checking, savings and money market accounts that are linked to the applicable Debit Card or ATM Card.
- Get information about your accounts that are linked to the applicable Debit Card or ATM Card. These balances will not reflect any outstanding checks, deposits, withdrawals, payments or charges and may include funds that are not subject to immediate withdrawal.
- Engage in other transactions added from time to time by Popular.
- Additionally, you may use your Debit Card to pay for purchases wherever debit Mastercard® is accepted.

Some of these services may not be available at all ATM terminals for Debit Cards or ATM Cards. ATM Cards cannot be used at point-of-sale terminals. You may not be able to use your applicable Debit Card or ATM Card and PIN within certain cash networks and at certain cash dispensing machines, and you may not be able to use your Debit Card at certain point-of-sale terminals at selected markets and retailers.

In the event a Debit Card transaction is authorized by you but the transaction is processed late (for example, the transaction is processed after the billing cycle in which the transaction occurred), you shall remain liable for the transaction.

LIMITATIONS - The following limitations apply to EFT Services available at ATMs:

- Your applicable Debit Card or ATM Card and PIN can be used to perform transactions only for the Bank accounts that are linked to your Debit Card or ATM Card, as applicable.
- Transactions performed at Popular ATMs will be processed on the same business day, if they are made before 2:00pm local time on a business day. Transactions performed at Popular ATMs after that time or on a non-business day will be processed the following business day.
- Deposits and payments are subject to verification and collection. Please refer to our *Funds Availability Policy Disclosure* for complete information.
- There are daily limitations on withdrawals and POS transactions using your applicable Debit Card or ATM Card and PIN. Please refer to your Account Product Disclosure and to the Popular Debit Cards and ATM Cards Terms and Conditions for further details.
- Other limits on the use of your applicable Debit Card or ATM Card and PIN may be applied, or card access to your account will be suspended
- For security reasons if we suspect that your Debit Card or ATM Card may have fraudulent activity or for any other reason where we believe there is a risk to you or the Bank.
- If you do not use your applicable Debit Card or ATM Card for a period of six (6) months, it will automatically be deactivated and closed.

FUNDS HOLD - When you use your applicable Debit Card or ATM Card, a hold will be placed on your primary account. The hold may be for the amount of the transaction, or for a pre-established amount in excess of individual transactions (for example, hotel or car reservations). The held funds will not be available for other account purposes, and we have the right to return

checks or other items drawn against your account to maintain sufficient funds to pay for any previously authorized transactions. The hold will be released, and the final amount of the transaction will be deducted from your account balance, when the transaction is settled through our system, which may not occur the day you make the transaction. You agree to maintain sufficient available funds on deposit in the affected account to cover all previously authorized transactions. The hold may continue even if you do not purchase any goods or services for which authorization was obtained.

OVERDRAFT COVERAGE FOR ATM AND DEBIT CARD TRANSACTIONS - We will not authorize and pay overdrafts for ATM transactions and everyday Debit Card transactions unless you ask us to. In order to affirmatively consent, or opt in, to overdraft coverage for these transactions, you must complete a What You Need to Know about Overdrafts and Overdraft Fees Form by visiting your local branch, by calling us at 1.888.610.5925 or by mailing your request to Popular OPT-IN Debit Card Coverage, P.O. Box 4906, Miami Lakes, Florida 33014. The form can be found on our website at <https://www.popularbank.com/popular-mastercard-debit-card/>. Scroll to the bottom of the page and select ATM/Debit Card Overdraft Coverage." If you opt in, we will charge overdraft NSF fees in the amounts disclosed on the What You Need to Know about Overdrafts and Overdraft Fees Form and in our *Schedule of Fees*. Fees will reduce the amount of overdraft coverage available to you. If you have not agreed to this service, then these transactions will be declined for insufficient available funds and we will not charge an overdraft NSF fee. If you have questions, please visit your local branch or call 1.888.610.5925. You may revoke your consent to opt-in on ATM and everyday Debit Card transactions at any time by visiting your local branch, by calling 1.888.610.5925 or by mailing your request to Popular OPT-IN Debit Card Coverage, P.O. Box 4906, Miami Lakes, Florida 33014.

OWNERSHIP OF CARDS - Debit Cards and ATM Cards are the property of the Bank and are made available, along with Popular ATMs, as a service to our customers. You are required to return all applicable Debit Cards or ATM Cards to us immediately at our request. We may revoke and cancel your Popular ATM privileges at any time.

Preauthorized Transfers and Direct Deposits

From time to time, you may authorize a person or company to electronically transfer funds to or from your checking, savings or money market account(s). For example, you may agree with your employer or a government agency to have your salary or government benefits electronically deposited directly into your account. You may also agree with a company from which you've purchased goods or services to have the amount you owe, such as an insurance premium, electronically paid from your account.

STOPPING A PRAUTHORIZED PAYMENT - If you have told us in advance to make regular electronic payments to someone out of your account, then you can stop any of these payments. Here's how:

Call us at 1.800.377.0800 or write to us at the Customer Care Center, P.O. Box 4906, Miami Lakes, FL 33014, in time for us to receive the request at least three (3) business days before the payment is scheduled to be made. If you call, then we may also require you to put your request in writing and to get it to us within fourteen (14) days after your call. Please refer to the *Schedule of Fees* that will be charged in association with stop payments. If you order us to stop any electronic payment at least three (3) business days before the electronic payment is scheduled to be made, and we do not do so, we will be liable for your losses or damages.

In your request, please provide us your name, account number, the scheduled date and amount of the payment, and the name of the person or company who was to have received the electronic payment. A stop payment request will stop only the particular payment from being made. If you want all future scheduled payments to be canceled, then you must notify the person or company with whom you had agreed to have these payments made.

NOTICE OF PAYMENTS VARYING IN AMOUNT - If the electronic payments to be made regularly out of your account(s) vary in amount, then the person or company you are going to pay should tell you, at least ten (10) days before each payment, when the payment will be made and how much the payment will be. You may choose instead to receive this notice only when the electronic payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you have set.

Telephone Transfers

If we have entered into a separate written or electronically transmitted agreement with you regarding the ability to transfer funds via telephonic authorization, then the terms of that specific agreement will apply. Otherwise, the following terms will apply:

- We may permit you to transfer funds from one of your accounts at the Bank to another of your bank accounts via the telephone. However, we may also refuse to complete this request for a telephonic transfer for any reason in our sole discretion.
- You will not receive a separate confirmation of this transfer, but the transfer should appear on your periodic statements.
- In accepting these requests, we use security procedures reasonably designed to identify the caller as an Account Owner, authorized Signer, or other person authorized to transact business on the account from which the transfer is to be made. These procedures may include asking for the relevant TIN assigned to the accounts or for any other identifying information that we could expect only authorized individuals to know.
- You agree that we have no liability to you for any allegedly unauthorized transfer and that you will indemnify us and hold us harmless against any claims by third parties, in the event that we effect a transfer after identifying the caller using the above described procedure.

Electronic Check Conversion

You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or to pay bills.

Online and Mobile Banking

Certain EFT Services are also available through our online banking service. The disclosures that apply to our online and mobile banking EFT Services and the terms and conditions governing them are contained in our *Popular Online Banking Service Agreement*. For a copy of our *Popular Online Banking Service Agreement*, go to www.PopularBank.com.

GENERAL DISCLOSURES FOR ALL EFT SERVICES

The following provisions apply to all of our EFT Services:

Charges for EFT Services

Please refer to the *Schedule of Fees* for fees that will be charged in association with the EFT Services.

Documentation of EFT Services

You will receive a monthly account statement if there are any transfers in that month. Regardless, you will get a statement at least quarterly.

You can get a receipt at the time you make any transfer to or from your account using an ATM, or when you make a purchase at a POS terminal.

Direct Deposits

If you have arranged to have direct deposits made to your account with us at least once every sixty (60) days from the same person or company, you may call our Customer Care Center at 1.800.377.0800 to find out whether or not the deposit has been made.

Limitation on Transfers from Savings and Money Market Deposits

Federal regulations require us to limit the number of certain types of transfers from your savings and money market accounts. Under these regulations you are permitted to make no more than six transfers and withdrawals per statement cycle by means of (i) preauthorized, automatic, or telephonic arrangements, and (ii) checks (if available for the account), drafts, debit cards or similar orders payable to third parties. These limitations are applied according to the date when the transaction is posted to your account and not the date when a transfer is authorized or a check is written. The limits do not apply to withdrawals made at a branch teller window, at one of our ATMs or by mail. If you exceed these limits, we may, at our option, convert your account to an account that is not subject to these restrictions or we may close your account.

Third party transfers on POS programs utilizing ATM Cards on savings accounts are currently restricted.

Third party transfers from Money Market Accounts are considered checks and count towards the six (6) withdrawals per month currently allowed.

Errors or Questions

If you think that your statement or receipt is wrong, or if you need more information about a transfer listed on the statement or receipt, or if you have any other

questions about your Electronic Transfers, call us at 1.800.377.0800 or write to us at:

Customer Care Center
P.O. Box 4906
Miami Lakes, FL 33014

as soon as you can. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and account number (if any).
- Describe the error or transfer that you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, then we may require that you send us your complaint or question in a signed affidavit within ten (10) business days.

We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days (ninety (90) days for foreign), POS, and new account transactions) to investigate your complaint or question. If we decide to do this, we will provisionally credit your account within ten (10) business days (twenty (20) business days for new account transactions) for the amount that you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If you call us, and we ask you to put your complaint or question in a signed affidavit and we do not receive it within ten (10) business days, then a provisional credit is not required. An account is considered a new account for 30 days after the first deposit is made, if you are a new customer.

We will tell you the results within three (3) business days after completing our investigation. If we determine that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

Our Liability for Failure to Complete an Electronic Funds Transfer

If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, then we will be liable for your losses

or damages. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of our own, your account does not contain sufficient available funds to complete the transfer;
- If the transfer would go over the credit limit on your reserve account (if any);
- If the ATM where you are making the transaction does not have enough cash, or cash in denominations that you request;
- If the ATM or POS terminal is not in service;
- If the ATM or POS terminal is not working properly and you know that it is not working properly when you start the transaction;
- If the funds in your account are subject to an uncollected funds hold, legal process or any other encumbrance restricting transfers;
- If circumstances beyond our control (such as natural disasters, acts of terrorism, fire, flood, labor dispute, or a mechanical or power failure) prevent the transfer, despite reasonable precautions that we have taken;
- If we do not receive proper and timely instructions regarding the transfer;
- If the transfer information supplied to us by you or by third parties (e.g., POS terminal owners) is incorrect or untimely;
- If your applicable Debit Card or ATM Card or PIN were reported as lost or stolen or if our failure to complete the transfer is done to protect the security of your account and/or of Bank and/or any other network; or
- If you have closed your account or your applicable Debit Card or ATM Card privileges have been cancelled.

There may be other exceptions stated in our agreements with you.

Your Liability

You agree to notify us immediately if you believe your applicable Debit Card or ATM Card or Personal Identification Number (PIN) has been lost or stolen or if you believe that an electronic transfer has been made without your permission using information from your check.

Telephoning is the best way of keeping your possible losses down. You could potentially lose all of the money in your account(s) (plus your maximum overdraft line of credit). If you tell us within two (2) business days after you learn of the loss or theft of your applicable Debit Card or ATM Card or PIN, then you can lose no more than \$50 if someone uses your applicable Debit Card or ATM Card and PIN without your permission.

If you do not tell us within two (2) business days after you learn of the loss or theft of your applicable Debit Card or ATM Card or PIN and we can prove that we could have stopped someone from using them without your permission if you had told us, then you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, including those made by any applicable Debit Card or ATM Card or PIN or other means, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we may extend the time periods.

Contact Us in the Event of Unauthorized Transfers

If you believe your applicable Debit Card or ATM Card or PIN has been lost or stolen, or that someone has transferred or may transfer money from your account(s) without your permission, call us at 1.800.377.0800 or write to us at:

Customer Care Center
P.O. Box 4906
Miami Lakes, FL 33014

Confidentiality

We will disclose information to third parties about your account(s) or the transactions that you make:

- Where it is necessary to complete transactions to or from your account(s) or to resolve errors involving them;
- In order to verify the existence and condition of your account(s) for a third party, such as a credit bureau or a merchant;
- In order to comply with legal process, such as orders from government agencies or courts;

- If you give us your written permission; or
- As otherwise provided in the *Popular Privacy Policy*.

Future Changes and Cancellation

We have the right to change this Agreement from time to time. We will notify you in writing at least twenty-one (21) days before the effective date of a change that will (i) increase your liability, (ii) raise the cost to you of making electronic fund transfers to or from your account(s), or (iii) limit your ability to make electronic fund transfers to or from your account(s). No advance notice will be given, however, if a change is necessary for security reasons.

Other Agreements

Use of your applicable Debit Card or ATM Card and PIN and any other EFT Services are subject to our existing rules, regulations, other agreements and disclosures governing your accounts, and any future changes that we make to them. Unless otherwise stated in this *Electronic Funds Transfer Agreement and Disclosure Statement*, this Agreement does not change or amend any of those existing rules, regulations, agreements and disclosures. You agree to inform us immediately if you move or change your name or place of employment.

Wire Transfer Agreement

We offer both incoming and outgoing wire transfer services. The following terms do not apply to transactions governed by the Electronic Funds Transfer Act, or transfers by check, draft, or any other written item. Wire transfer services are governed by the regulations of the OFAC and all other applicable federal, state and local laws and regulations, including Article 4A of the Uniform Commercial Code, as adopted by the state whose law applies to the account which you are using for the funds transfer service. You agree not to initiate or receive a wire transfer payment order in violation of any applicable federal, state or local law. We may reject a wire transfer for any reason. For example, federal law restricts the transfer of money to certain individuals, entities and countries. You must also have sufficient available funds in your account.

Remittance Transfers/International Wire Transfers are funds transfers initiated by a consumer primarily for personal, family or household purposes sent to a

consumer or business in a foreign country. Effective October 28, 2013, federal law requires us to provide disclosure, cancellation and error resolution notices that may differ from rights and obligations that apply to other types of wire transfers, described herein.

Security Procedures

TELEPHONE INSTRUCTIONS – We will honor your telephone instructions to make wire transfers and to cancel such transfers only if you qualify and if you have prearranged to have these instructions followed. You agree that we may tape record such conversations.

You also agree that we may rely on such telephone instructions so long as we believe that the person giving the instructions is you. There may be other ways to originate wire transfers via the telephone, please contact your branch to determine if these other procedures apply.

WRITTEN INSTRUCTIONS – You may give us written wire transfer instructions. We may rely on these written instructions so long as (i) the signature on the wire transfer instructions matches any signature of yours that you have provided to us; (ii) you provide the required identification as requested in the wire transfer instructions and (iii) we verify that this information conforms to our records.

CONFIRMATION – Even if the telephone or written instructions comply with our procedures, we reserve the right to verify the authenticity of the wire transfer instruction by contacting any person whom we know to be authorized to give wire transfer instructions for your account. You agree that we may tape record these conversations.

Reliance on the Content of Wire Transfer Instructions

Each wire transfer instruction should include the amount that you want to transfer, your account number, and the beneficiary's name, bank and account number, and purpose of the wire. We are entitled to rely on the information contained in the wire transfer instruction, and we are not required to confirm the accuracy of the information contained in the wire transfer instruction. Errors must be reported to us within twenty (20) days after we send you our mail notification of the wire transfer. You must notify us within this time period and explain how the transfer was not authorized by you or was not executed in accordance with the wire transfer

instruction. Unless we are so notified, we will not be liable for that transaction.

General Provisions

We reserve the right to refuse any wire transfer. Business days are Monday through Friday, excluding banking holidays. Each wire transfer is subject to the other terms and conditions of your account with us. We shall be liable hereunder only for direct damages resulting from our failure to exercise ordinary care or to act in good faith. Ordinary care shall be determined in accordance with reasonable commercial standards in the state in which the wire transfer originates. We will not be responsible for special, indirect, punitive or consequential damages under any circumstances.

Popular Online and Mobile Banking

By using Popular Online and Mobile Banking and by accessing your accounts, you acknowledge and accept the terms and conditions, which are presented to you at the time you enroll www.PopularBank.com. Those terms and conditions are in addition to those that apply to any accounts that you have with the Bank.

**Thank you for banking
with Popular.**

1.800.377.0800

www.PopularBank.com

PopularBank.com |    

© 2019 Popular Bank. Member FDIC.



PBDA-08/19