AGREEMENT

Individual Deposit Accounts

Agreement with Private Management Account Disclosure

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Agreement with Popular Premium Disclosure

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BANCO POPULAR DE PUERTO RICO
DEPOSIT ACCOUNTS AGREEMENT
FOR INDIVIDUALS

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WELCOME TO BANCO POPULAR DE PUERTO RICO

Introduction

Thank you for opening your Account with us. We appreciate your trust and the opportunity to serve you.

This Deposit Account Agreement (the "Agreement") governs your relationship with Banco Popular de Puerto Rico in relation to your deposit account (the "Account"). Please read it carefully, as it contains important disclosures that explain your rights and obligations in connection with such Account.

Depending on the type of Account that you opened, this Agreement may include separate disclosures. All these documents together constitute your Agreement, and you must read them in conjunction.

By opening this account and acknowledging receipt of all account opening documents, you agree to the terms of this Agreement and to all applicable disclosures. This Agreement is applicable to new and existing Accounts and replaces all prior agreements regarding your Account, including any verbal or written statements or representations. You are responsible for ensuring that any authorized signer is familiar with this Agreement as may be amended. We strongly recommend that you keep a copy of this Agreement and any future amendment for as long as your Account is open. We may change, amend, or supplement terms and conditions of this Agreement at any time, as allowed by applicable law. The Bank will notify you of any amendment to the terms and conditions set forth in this Agreement at least thirty (30) days prior to the effective date of any change to this Agreement, as required by applicable law, including but not limited to, by sending a notice by mail to the address currently on record with us, by posting a notice in our branches or on our website at www.popular.com, and/or by providing notice on your account statement. If you continue to use your Account or keep it open, you are deemed to accept and agree to the change and are bound by the change. If you do not agree with a change, you may close your Account as provided in this Agreement. You can get a copy of the current Agreement and any amendment by visiting your local branch or popular.com.

Your and our rights and obligations under this Agreement are governed by and interpreted according to state and federal law. The laws of the Commonwealth of Puerto Rico govern this Agreement, unless otherwise specified. If any clause contained in this Agreement is declared null and void or illegal, then the remaining provisions will maintain their full force and effect.

Defined Terms

Throughout this Agreement, the terms "**Banco Popular**", "**Bank**", "**we**", "**us**" or "**our**" refer to Banco Popular de Puerto Rico, and the terms "**you**", "**your**", "**yours**" and "**Account Owner**" refer to you as the holder of the Account, individually or together with another person or persons. Unless otherwise stated, the words or phrases used in singular include the plural and the plural includes the singular.

- **Account**. Any personal consumer deposit account, such as a checking or savings account, that you have with us and is covered by this Agreement.
- **ACH (Automated Clearing House)**. ACH, which may also be referred to as automatic payments, are funds transferred to or from your Account through an automated clearing house network. Common examples include direct deposits of payroll, pension or government benefits such as Social Security.

- **ATM (Automated Teller Machine)**. An electronic banking outlet that performs many banking services, which can include withdrawals and balance inquiries.
- **Available Balance**. Our most current record of the amount of money available in your Account for your use or withdrawal. You can find this balance on receipts you receive at ATMs, from a bank representative at a branch, on Mi Banco or Mi Banco Mobile.
- **Average Daily Balance**. The Bank adds the balance in the account for each day in the statement cycle and then divide that sum by the number of days in the statement cycle.
- **Business Day**. Every day except Saturdays, Sundays and federal holidays. Some branches may close on a business day due to an emergency or to observe a state holiday.
- **Check**. A written order to pay a specific amount of money drawn on, payable through, payable at or processed by a bank or other depository institution. If a check is sent or returned as an electronic image or as a substitute check, it is still considered a check.
- **Current Balance ("Ledger balance")**. The amount of money in your Account at the beginning of the day.
- **Debit Card**. A card that allows you to transfer money electronically from your bank account when making a purchase in a POS (Point of Sale) terminal, e-commerce, or digital wallets, making withdrawals in Automated Teller Machines or when using a money transfer application.
- **Debit Card Transaction**. Any purchase or bill payment using your debit card. A debit card transaction may be either an everyday (not recurring) purchase transaction or a recurring payment transaction, such as a monthly bill.
- **Direct Deposit/EFT Deposit**. An automatic electronic deposit made through the ACH network to your account by someone else, such as an employer issuing payroll or a government paying benefits.
- **EFT (Electronic Funds Transfer)**. "Electronic Fund transfer" means any transfer of funds that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit a consumer's account. The term includes but is not limited to: (i) Point-of-sale transfers; (ii) Automated Teller Machine transfers; (iii) Direct deposits or withdrawals of funds; (iv) Transfers initiated by telephone; and (v) Transfers resulting from debit card transactions, whether or not initiated through an electronic terminal.
- **Authorized Signer**. A person with the authority to perform monetary transactions on your account, whose power comes from or is on behalf of the account owner.
- **Item**. Any check, ACH transaction, funds transfer, online banking transaction, wire transfer, teller cash withdrawal, ATM withdrawal, debit card purchase, fee, charge or other instruction for an amount to be added to or subtracted from your balance.
- **Overdraft**. The amount by which any item(s) presented on your account on a business day exceeds the available balance.
- **Overdrawn**. When your account has a negative balance.

- **PIN**. A four-digit personal identification number that you either select or request from us for your debit card. Some merchants and all ATMs require a PIN when you use a debit card.
- **POS (Point of Sale) Terminal**. A device which processes payment cards (Debit and Credit) to make electronic funds transfers.
- **Private Management Account**. Is a deposit account for Private Banking clients that permit to have in the same account statement, in an integrated form, a deposit account, an investment account, a secured line of credit, fixed term deposits, individual retirement accounts, reserve line of credit, credit cards, personal loans without collateral and other products and services, as more fully described in this Agreement and/or any attachment applicable only to such accounts.

General Information Regarding Your Account

The following information applies to your Accounts with Banco Popular, whether individual or joint:

- We may deny a claim for 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 or savings account with us. Please refer to the disclosure pertaining to accounts with Debit Card access and to the *Electronic Funds Transfer Agreement and Disclosure* section of this Agreement, and the separate *Disclosure for Electronic Funds Transfers* document for additional terms and conditions that apply to your Debit Card.
- We may transfer funds between your accounts, transfer your accounts to other branches, and take any other action based on your oral or written instructions. We may require written authorization for some actions. Please refer to the section entitled Instructions.
- We may require every Account Owner who opens a new Account (and any applicable additional signers) to provide a certified Individual Taxpayer Identification Number (ITIN) or Social Security Number for tax reporting purposes.
- We may rely on the information that you give us and that we enter into our records, until you notify us orally or in writing of a change.
- If your Joint Account becomes overdrawn, you will be liable for the full amount the account is overdrawn.
- 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.
- You agree that any court order prohibiting withdrawals of funds from the Account will be subordinated to the Bank's right of setoff and/or as secured creditor, as allowed by law.
- You agree to pay all fees applicable to your Account including but not limited to monthly service charges and any other charges for additional services requested. For a complete list of these charges please refer to the current *Account Characteristics and Fees Disclosure*.

- 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 official checks) if we believe that the amount is unreasonably large or that honoring the request would cause us an undue hardship or security risk.
- Personal Accounts may only be used for personal purposes and cannot be transferred to anyone else. If you use a personal account for business purposes, we may elect to either close the account or to convert the account into a business account. If we decide to convert your Account, we will notify you at least thirty (30) days in advance, and you must provide all required documentation.

The following applies only to accounts with more than one Account owner ("Joint Accounts"):

- 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 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 signer).
- 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.
- We may set-off overdrafts in a joint and several (and/or) account against funds deposited in any of your Accounts.
- Regardless of how your Account is owned, we don't keep a separate record of each co-owner's interest in the Account. We act on instructions from any co-owner without obtaining other co-owners' consent, including withdrawing, or transferring funds, making payments, or closing the Account. Each co-owner has complete control over all the funds in the Account.
- Each Account owner is individually, jointly and severally liable for debts owed to us on the Account, regardless of which owner incurred the debt.
- Likewise, each Account owner authorizes us to set off any obligation of any of Account owner against funds in the Account, even if only one of the Account owners is obligated thereunder, unless otherwise prohibited by law, and even if only one of the Account Owners makes deposits to the Account.
- You agree that unless otherwise required by law, notices sent to one of the Account owners will be deemed to have been sent to all.

Opening Your Account

When you open a deposit account in the Bank, you give us information about yourself and confirm that it is correct. We enter the information into our records. The Bank may rely on that information until you notify us of a change and give the Bank a reasonable time to act on the new information.

Compliance with 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 with them. To open an account, you will be asked to provide your name, a valid physical street address, a telephone number, a date

of birth, Tax Identification Number (TIN) 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. You acknowledge that the Bank may be required, from time to time, to adopt policies and procedures to address anti-money laundering and terrorist financing legal and compliance requirements. 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 Account 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 not to open an account for anyone in our sole discretion. We may also limit the number of accounts that you have, in our sole discretion.

When you are opening the Account, You acknowledge that you are not undertaking or associated with any illegal or improper activity.

Credit Verification. By requesting to open an account with us, or by obtaining any other service from us, you (whether acting in a representative capacity or individually) 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, consumer report 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.

Account Ownership

When you open an Account, you may choose one of several types of ownership. 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 reflected in your Account opening documents. The types of ownership in deposit Accounts that we offer include, but are not limited to, the following:

- **Solely Owned (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. The account owner may include an authorized signer to represent him or her in the management of monetary transactions.

- **Joint Account**. An Account in which two (2) or more people are listed as owners. Such ownership is joint and several. This means that each owner has complete control over all funds in the account and may make deposits and withdrawals, place a stop payment order, and make special arrangements related to the Account, including the closing of the Account. Likewise, each owner is authorized to endorse payment orders for deposit, if the payment order is payable to the order of any of the Account Owners. For avoidance of any doubt, each co-owner acts as the agent of each of other co-owner and the Bank may act and rely on the instructions of one co-owner without liability to any other co-owner. For example, any co-owner may without the consent of the others: (i) add additional persons as co-owners, (ii) obtain a debit card, (iii) obtain information about the Account, including transaction conducted by other co-owner, pledge the Account as security or as collateral for any debt with the Bank, (iv) close the account. The Bank may use the funds in a joint Account to cover any: (i) rights of set-off, levy, attachment, garnishment or other valid legal process or court order relating to the interest of any one or more of the Account Owners; or (ii) requests from a trustee in bankruptcy, receiver in any state or federal insolvency proceeding, or the duly authorized insolvency representative of any one or more of the Account owners. We are not required to determine net contributions from each Account Owner.
- **Power of attorney**. Is a document you sign that authorizes someone else, called an agent, to act on your behalf. If you sign a power of attorney, the agent can sign on your behalf and do anything you could do regarding your Account, including withdrawing funds from your Account. Do not sign a power of attorney unless you trust the agent to act in your best interest. If you choose to add an agent, you must provide a power of attorney form that is satisfactory to us in our discretion. We may refuse, with or without cause, to honor powers of attorney that you grant to others. We may rely on a copy of an original power of attorney. We are not required to investigate the facts relating to any power of attorney provided to us on your behalf, including whether your signature on the power of attorney is authentic or whether the agent continues to have authority. We have no duty to monitor or ensure that the acts of your agent are for your use or benefit or are otherwise permissible. We will not be liable if your agent exceeds his or her powers or does not comply with your instructions or applicable law. You agree to hold us harmless from and against any actions we take based upon the instructions of your attorney in fact or that your attorney in fact takes regarding your Account, unless and until we receive and have had a reasonable opportunity to act on written notice that you have died or that the power of attorney has been revoked.

  We may follow or refuse to follow the agent's instructions at any time, including if we suspect fraud or abuse on your Account, unless state law requires otherwise. You will be responsible for the acts of the agent and agree to exonerate the Bank from any responsibility regarding the actions taken by the Bank based on the agent's instructions.
- **Representative payee or legal custodian**. May open an account in the name of another, called a beneficiary. If you open an account as a representative payee for someone who receives Social Security payments, or as a legal custodian, spouse payee or other custodian for someone who receives Veterans Administration payments, you agree not to permit any deposits to the account other than the designated payments. We are not required to determine whether you deposit other funds or whether any withdrawals or transfers from the account are for the support of the person for whose benefit the funds are paid. If the beneficiary dies, you must promptly notify us and stop all further deposits to and withdrawals

from the account. If the government demands that we return deposits made after the beneficiary's death and the account does not have enough funds to pay the demand, we may take the funds from any account the beneficiary owns.

- **Authorized Signer**. Any person you authorize to act on your behalf, following the established process, including completing a signature record and any other documents. An authorized signer will have the same withdrawal and deposit rights as an account owner, but the authorized signer will not be the account owner. The powers you, as the account owner, grant to your authorized signer, as well as any limitations on those powers, are between you and your authorized signer. You understand and agree that we have no obligation or responsibility to supervise the actions of your authorized signer or ensure that they are in your best interest. You agree not to hold us liable for any loss or damage you suffer as a result of us following the instructions given to us by your authorized signer. The account owner is responsible to us for any actions of their authorized signer, regardless of whether those actions exceed the authority granted. The authority of an authorized signer will terminate after the owner notifies us in writing and we have had a reasonable opportunity to act on it.

Account Types

- **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. Some types of checking accounts may provide a savings section and earn interest.
- **Savings Accounts**. This is an account which is mostly intended to accept deposits and earn interest. The Bank may also reserve the right to require seven days' prior written notification for a withdrawal.
- **Checking with Reserve Line of Credit**. This is a checking account that provides overdraft protection by providing a line of credit. The line of credit may be used to cover transactions against insufficient or unavailable funds.

Using your Account

Depositing Funds to your Account

Direct deposits; notice of electronic deposits. When we receive an electronic deposit to your Account, the only notice you will receive from us is on your next statement. You may visit Mi Banco Online or Mi Banco Mobile, use account alerts service, or call us to confirm we have received a deposit.

If a bank that sent an electronic deposit to your Account tells us it was a mistake, or was intended for another customer or account, we may deduct the amount from your balance without investigating.

Other Deposits. You may make deposits in person, electronically, by mail or by any other method provided by the Bank. The Bank does not assume responsibility for your deposits until the receipt of such deposit is acknowledged.

Cash deposits are not permitted in the branch deposit boxes; if you deposit cash in any of the branch deposit boxes, the Bank will process the deposit within the established procedures applicable to branch deposit boxes. The Bank's determination with respect to the amount of cash deposited shall be final.

To facilitate the prompt processing of your transactions, we recommend that you use our pre-established forms, including personalized deposit slips, for all deposit transactions. All information provided must be legible.

Processing Deposits. We will process deposit transactions in accordance with the *Funds Availability (Regulation CC) disclosure*, included in this Agreement.

When you send us a deposit by mail, or you place a deposit in our lobby or other repository, 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 repository or the day it is delivered to the Bank from other sources, for example, USPS mail, courier or messenger.

We may ignore information on checks and other deposited items, other than the signature, the drawee bank and drawer's identification, amount, endorsements, and other encoded information, according to standard banking practice.

Identifying the Account. We will process deposits that comply with the terms and conditions of this Agreement. We may refuse to process a deposit when the information is incomplete, illegible, inconsistent with the information given when you opened your Account, or if the deposit fails to abide by any of the provisions or the applicable law.

You must correctly identify the account to which you wish the 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.

We may take cash, 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.

Our right to refuse deposits. We may refuse a deposit, or part of a deposit, at any time. We also may refuse a deposit after initially accepting it. We can reverse any amount we have added to your balance for a deposited check and take the check on a collection basis even after we have taken physical possession of the check. We will not be liable to you for refusing a deposit, even if it causes us to decline any transactions you have already made. If we refuse a deposit, we may take a check on a "collection basis," which means we will not add funds to your balance until we have been paid for the check. Please refer to our section on *Miscellaneous Collection Items*, further below.

Our right to charge back deposited or cashed items. If you deposit or cash a check or other item and (1) the paying bank returns it to us unpaid; (2) the paying bank or the issuer of a check demands that we repay them because the check was altered, forged or unauthorized, is missing a signature or endorsement, or has a forged endorsement; or (3) the sending bank or the originator of an item demands that we return the item because it was unauthorized, sent to the wrong account number or procured by fraud, we may pay the return or demand, and subtract the funds from your balance in other accounts for which you are an owner, or charge part of the item to each, even if you have already withdrawn the funds. If we have reason to believe that any of the events in the previous sentence has occurred or may occur or that the check or other item should not have been paid or may not be paid for any other reason, we may place a hold on the funds or move them to a suspense account until we determine who is entitled to them.

Transaction records and receipts. We may rely on the account number on any deposit slip, payment instruction, or similar record we receive, even if that account number is associated with a name that's different from the name you've provided. It's not our responsibility to detect any inconsistency between the account number you provide and the name.

If you make a deposit, we may provide a receipt, but the amount on your deposit receipt is based entirely on the deposit slip you complete. We may confirm the funds you deposit and, after review, may adjust your Account for any errors including any errors on your deposit slip.

We are permitted to adjust (debit or credit) your Account, and we may notify you, if we:

- Determine a discrepancy exists between the declared and the actual amount of the funds in your Account, or
- Misdirected a transaction to or from your Account or made a transaction that we reasonably believe to be in error.

Large cash deposits. Any of our employees may open and count any deposit that a branch banker didn't count in front of you, including large cash deposits, and you agree not to dispute that employee's determination of the amount you deposited.

Our responsibility for collecting deposits. If you deposit or cash a check, or we send one for collection, we act only on your behalf. Our only responsibility is to exercise reasonable care. We will not be liable for the lack of care of any bank or third party we use to collect checks, or for checks lost during shipping. We may send checks to any bank or to the entity on which the check was written in our customary manner. We may have agreements with other banks regarding times and methods for collecting or returning items. If we lose a check, you agree to use reasonable efforts to help us locate or replace it. Although we attempt to identify and prevent fraudulent transactions, we have no duty to you to determine whether any check you deposit or cash is forged, counterfeit, altered, improperly endorsed or otherwise improper. If we receive a claim to that effect, we may debit any of your Accounts for the corresponding amount. The Bank will notify You of the adjustment to your Account by mail.

Endorsing Checks. We reserve the right to restrict both how you endorse checks that you ask us to cash or deposit; and the type or endorsements that you may place or have preprinted on the back of checks. If you place or imprint information on the back of a 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, costs, 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.

Third-Party Endorsement. We may require that checks and other items that you want to deposit 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.

Returned Items on a Deposit. 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 in the amount of the item. We may also debit your Account for any interest you may have provisionally earned.

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 in the amount of the item.

If you have insufficient funds to cover a returned item, we may overdraw your Account. If we honor 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.

Items drawn against unavailable funds may also be subject to charges in the account. For more information on overdrafts and returned items, please refer to the section of this Agreement entitled *Account Balances, Overdrafts, Returned Items (NSF) & Related Fees*.

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 TeleBanco Popular at 787-724-3659 (mobiles and Metropolitan Area) or toll free 1-888-724-3659 (outside Metropolitan Area) 24 hours a day, seven days a week. Telephone available for the hearing impaired (TDD): 787-753-9677 (Metropolitan Area) or toll free 1-800-981-9666 (outside Metropolitan Area) or ask a bank consultant at any of our branches.

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. 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 *Account Characteristics and Fees Disclosure* for the related account.

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, National Automated Clearinghouse Association (NACHA) rules).

Funds Availability (Regulation CC). Federal Regulation requires banks to make deposited funds available to you within certain periods of time. Depending on the type of deposit, the funds you deposit may be available to you on the same day, the next business day, or after several days. Funds may be delayed up to the seventh (7th) business day following the day of the deposit. During this waiting period, the funds you deposit may not be available to you, and you may not be able to withdraw such funds or use them to process payment orders.

The Bank establishes limits for the availability of funds deposited in accordance with the minimum amounts required by Regulation CC. The following disclosures are intended to provide an easy reference guide for determining when different types of deposits might be available to you. The Bank may, nevertheless, provide an earlier availability than the limits established by the Regulation. If you need further information regarding this matter, please visit any of our branches or call us through TeleBanco Popular at 787-724-3659 (mobiles and Metropolitan Area) or toll free 1-888-724-3659 (outside Metropolitan Area) 24 hours a day, seven days a week. Telephone available for the hearing impaired (TDD): 787-753-9677 (Metropolitan Area) or toll free 1-800-981-9666 (outside Metropolitan Area), and one of our service representatives will gladly assist you.

The availability Policy only applies to funds deposited for accounts of Banco Popular in Puerto Rico and the Virgin Islands. Please inquire for information about the availability of funds deposited at other locations.

The length of the delay is counted in Business Days, starting on the first business day after the day of the deposit.

- **Deposits available for withdrawal on the same day of the deposit**. These include electronic fund transfers, such as Social Security benefits and payroll payments by direct deposit.
- **Deposits available for withdrawal on the next Business Day following the date of the deposit.** These include: (a) Cash; (b) Wire Transfers; (c) Checks drawn against any Banco Popular branch located in Puerto Rico or the US and British Virgin Islands; (d) US Treasury Checks; (e) Postal Money Orders; (f) Federal Home Loan Bank Checks; (g) Federal Reserve Bank Checks; and (h) the following checks if they are payable to the owner of the account and deposited in person directly to a Bank Representative using the Bank's Special Deposit Slip, which can be obtained from any Bank Consultant: Certified Checks, Official Checks and Checks from the Government of the Commonwealth of Puerto Rico; and (i) the first $275 of the total deposit of other checks drawn on banks other than Banco Popular.

  In the case of the Private Management Account the first $10,000 of the total amount of checks deposited will be available for withdrawal on the next Business Day following the date of the deposit. The remainder of the funds deposited will be available for withdrawal on the third business day following the date of the deposit.

- **Availability of other deposited items**. The availability of funds from other deposited items are subject to the Bank's policies. The policy establishes that: (a) if the aggregate amount of the deposit is $275 or less, the entire amount will be available for cash withdrawals and payment orders on the Next Business Day; (b) if the aggregate amount of the deposit is more than $275, the Bank will make $275 available for withdrawal on the Next Business Day (Banco Popular will have available for withdrawal up to $550 on the Second Business Day after the deposit whenever the aggregate amount is $275 or more); and (c) the remainder of the funds deposited (if applicable) will be available for cash withdrawals and payment orders on the Third Business Day following the day of the deposit.
- **Delay on the Availability of Funds for Longer Periods**. The Bank may delay the availability of funds from check deposits for a longer period under the following circumstances: (a) if the Bank believes that a check you deposit will not be paid; or (b) if there is an emergency, such as failure of the Bank's communication or computer equipment, or bad weather conditions (such as a hurricane or an earthquake).

  The Bank will notify you if your ability to withdraw funds will be delayed for any of the foregoing reasons. You will also be informed as to when the funds will be available. The funds will be available no later than the seventh (7th) business day following the day of the deposit.
- **Special Rules for New Accounts**. If you are a new customer, the following special rules will apply during the first 30 days your Account is open. Funds from Electronic Direct Deposits to your Account will be available on the day we receive the deposit. Funds from deposits of Cash, Wires Transfers, Checks drawn against any Banco Popular branch located in Puerto Rico or the US and British Virgin Islands, US Treasury Checks, Postal Money Orders, Federal Home Loan Banks Checks, and Federal Reserve Bank Checks will be available on the Next Business Day after the day of your deposit. Certified Checks, Official Checks, and Checks from the Government of the Commonwealth of Puerto Rico if payable to the owner of the account and presented directly to a Bank Representative using the Bank's Special Deposit Slip, which can be obtained from any Bank Consultant, will be available the Next Business Day following the date of the deposit. Funds from all other Checks deposits will be available on the Third Business Day after the day of your deposit.
- **Availability of Funds Deposited using Easy Deposit through ATMs**. The Bank will process deposits made through automatic teller machines identified with Easy Deposit Service as follows: (a) cash deposits made before 9:30 p.m. on Business Days will be immediately available for withdrawal or payment; (b) cash deposits made after 9:30 p.m. on Business Days or cash deposited on non-Business Days will be available only for purchases and withdrawals with the Debit Card, but will not be available for payment orders, electronic payments (EFT) or TelePago Popular. Deposited funds will be credited to the Transaction or Savings Section as selected by you.
- **Availability of Checks Deposited using Mobile Easy Deposit**. The Bank will process deposits made through Mobile Easy Deposit as follows: check deposits made before 6:00 p.m. on Business Days will be processed on the same Business Day, subject to verification and validation of the deposit. This verification may

result in a delay of the availability of the funds deposited in accordance with the Bank's policy. To obtain details regarding the requirements applicable to Mobile Easy Deposit, refer to the Electronic Banking Services Agreement.

Disclosures pertaining to the Check Clearing for the 21st Century Act

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:

- **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.

- **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.

  The Bank 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.

  The Bank 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.

  The process of creating electronic images of checks, or the original items required for the electronic exchange, may entail the disappearance of security features the check might have contained. The Bank will not be held responsible for losses that may result when paying a substitute check that the Bank would not have paid had it received the original item with its corresponding security features.

- **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 TeleBanco Popular at 787- 724-3659 (mobiles and Metropolitan Area) or toll free 1-888-724-3659 (outside Metropolitan Area) 24 hours a day, seven days a week. Telephone available for the hearing impaired (TDD): 787-753-9677 (Metropolitan Area) or toll free 1-800-981-9666 (outside Metropolitan Area). You may also write to the following address:

  Banco Popular de Puerto Rico
  Customer Contact Center (714)
  PO Box 362708
  San Juan, PR 00936-2708

  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.

Payment of Checks, Withdrawals and Other Items

Signatures. To determine the authenticity of your signature or that of any authorized signer, we may refer to your registered signature or to a check or other document upon which your signature appears. You and/or any authorized signer agree to re-register your signature whenever it has deviated appreciably from that which you register when you open your Account. You agree to release the Bank from all liability for dishonoring an item for reason of the signature's dissimilarity with the specimen registered with the Account.

Facsimile Signatures. You may authorize the use of signatures reproduced by a machine or artefact (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 shall be responsible for maintaining the

Facsimile Signature machine under strict control and will verify account statements and cleared checks or their electronic version to identify the unauthorized use of the machine that reproduces the Facsimile Signature. You agree that the Bank may honor payment orders bearing the authorized Facsimile Signature, even when made by an unauthorized person or by means of a counterfeit facsimile signature machine. You agree to reimburse (and we may charge your Account), release and indemnify us from all claims, costs, losses or damages, including attorneys' fees and litigation expenses, 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.

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 based on certain criteria that change from time to time. This means that most checks are processed based on 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 here. 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.

Refusal to Pay an Item. We may refuse to pay any check, substitute 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) is not authorized for payment; (v) exceeds the frequency and/or the amount of withdrawals allowed for that type of Account; (vi) is drawn for a smaller amount than the minimum permitted for that type of Account, or (vii) 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, at our sole option, may decide which items to honor. For more information on overdrafts, see the section of this Agreement entitled *Account Balances, Overdrafts, Returned Items (NSF) & 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 lien, or if it has been pledged 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.

If we erroneously return an item, we will be liable to you only for the direct damages resulting from such error, and this liability will be limited to actual damages that you are able to prove clearly and conclusively. Damages to your reputation, business, or activities will not be presumed, and may not be recovered unless otherwise required by law.

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. 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. 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.

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.

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.

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 presentment. If you do not want us to pay a stale or post-dated check, then you must place a stop payment order on it.

Remotely Created Checks. If you use or authorize another party to issue a 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.

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.

Stop Payment of Checks. The Bank shall accept stop payment orders on checks and preauthorized debits (e.g., insurance policies and other payments) from any Account Owner in the manner required by law. Stop payment orders shall be placed in the printed forms provided by the Bank for this purpose, or by telephone through TeleBanco Popular at 787- 724-3659 (mobiles and Metropolitan Area) or toll free 1-888-724-3659 (outside Metropolitan Area) 24 hours a day, seven days a week. Telephone available for the hearing impaired (TDD): 787-753-9677 (Metropolitan Area) or toll free 1-800-981-9666 (outside Metropolitan Area). We will confirm your telephone stop payment orders in writing on the following business day. A fee may be charged for each stop payment order or renewal thereof (refer to the *Account Characteristics and Fees Disclosure*).

A stop payment order shall become effective on the business day following the day it was placed, in order for the Bank to have a reasonable opportunity to act upon the order. If the stop payment order is placed on a non-business day, it shall be deemed to have been placed on the business day following the actual date of placement of the order. In that event, the stop payment order shall be effective on the second business day. 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 (180 days), from the date of the request, unless prior to the expiration of the original six-months term You cancel the order or request it be renewed for an additional six (6) months (180 days).

A stop payment order will be invalid and inoperative if the item is paid, or a debit is performed prior to the effective date of the order. Acceptance by the Bank of a stop payment order does not constitute a representation that the item has not been paid.

The Bank shall not be liable for Stop Payment Orders placed after the checks have been paid, or for errors or omissions in the information provided by You about the item, which may prevent the Bank from enforcing the Stop Payment Order.

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 due to non-sufficient funds. 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 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. 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* section of this Agreement, and the separate *Disclosure for Electronic Funds Transfers* document.

Stopping Payment on Official Checks and Money Orders. You do not automatically have the right to stop payment on official checks that you purchase from us. In the event that an official check is lost, stolen or destroyed, you will have to complete, sign and have notarized a Declaration of Lost Instrument, if the amount of the check exceeds $2,500. You can obtain such form at one of our branches. We must then wait ninety (90) days from the date that the official check 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. If you cannot wait the 90-day period, the Bank can substitute the official check before the end of the 90-day period if you present a guarantee, such as funds in your Account, by signing a document of pledge.

If a Money Order issued by us is lost, stolen or destroyed, then we may, at our sole discretion, stop payment on the money order if you and/or the payee sign a Declaration of Lost Instrument. If the Bank pays the amount of an Official Check or a Money Order to you and after a claim is made and the Bank Official Check or Money Order is presented for payment by a person having rights of a holder in due course, you are fully obliged to refund the payment to the Bank.

Transaction Processing and Account Posting Order.

Posting transactions registered to your Account impacts your balance. Posting a credit increases your balance. Posting a debit or provisional hold reduces your balance.

You may use different methods to deposit and withdraw funds from your Account. Your deposits are credits, and may be made by cash, check and by other payment instruments for which you are the payee, or thru electronic transfer systems such as the Automated Clearing House ("ACH"), direct deposits, and via Mi Banco Online (desktop) and Mi Banco Mobile (mobile phone).

Withdrawals from your account are debits, and they may be made, depending on your account type, by check (and through other transactions made using your checking account number), Debit Card, ACH debits, wire transfer requests, internal debits, Bill Payment, Mi Banco Online, Mi Banco Mobile and preauthorized 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 Account balance). The adjusted Account balance that results from this posting process is referred to as your current or ledger balance.

We may accept, pay, certify, or charge to your 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.

Posting Order. This section summarizes how we generally post some common transactions to your account.

Currently, the Bank group the different types of transactions into categories. We use several categories for provisional holds, credits, and debits. Most categories include more than one transaction type. After the end of the business day, our automated systems assign a category to each transaction received for that day. The Bank generally post all transactions within a category, using the posting order or orders that apply to that category before we post any transactions assigned to the next category.

The Bank will start the posting of transactions considering the balance in your account from the previous business day, then will post credits and debits within categories in the following order:

- **First**: All deposits and credits to your account will post based on our *Funds Availability* disclosure.
- **Second**: The following provisional holds and/or debits will post, within each category, in the order in which each is authorized/received (date/time). If the debit is received without the time of the transaction, it will be posted per category after transactions with information on the time of the transaction.
  - Any overdraft balance from the previous day if at the end of the previous day you incurred in transactions against insufficient or non-available funds.
  - Provisional Holds (Debit card authorizations, check deposit holds, etc.)
  - Transactions within our branches through a Bank Representative. This includes debit card transactions and check cashing within the branch (if your account provides checks)
  - Automated Teller Machine (ATM) withdrawals
  - Debit card purchases
  - Other debits (TelePago/Pay by Phone, transfers between accounts, wire transfers and debit notices)
  - Last, ACH debits, whether one time or recurrent, in the order received
- **Third**: 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 highest to lowest dollar amount.
- **Fourth**: Most account related fees (such as monthly service fees, pending service fees, overdraft line of credit finance charge, etc) are posted last in the order established by the Bank.

Overdraft Fee - We determine at the time we post the transaction into your account whether it creates an overdraft and whether an overdraft fee applies. If there are insufficient funds to pay a presented debit, we may pay it and overdraw your account. In such case, you may incur an overdraft fee. The fee will be reflected in your account after the transaction is paid. For more information on overdrafts fees, please see the section of this Agreement titled OVERDRAFTS AND ACCOUNT BALANCES or your Account Characteristics and Fees Addendum.

Transaction Processing Cutoff Times. Transactions made after the processing cutoff time or on non-Business Days will be processed on the next Business Day. Therefore, such transactions will not be considered during the account posting process at the end of the day on which they are made. Rather, in such cases, your current or ledger balance will be adjusted to reflect these transactions during the posting process of the next Business Day.

Below are the most common transaction processing cutoff times:

Channel	Processing Times
Branch Transactions	All transactions will be processed the same Day. Transactions made on weekends or federal holidays will be processed the next business day.
Mi Banco Online Transactions	Payments made before 5:00 p.m. on a Business Day will be processed the same Business Day. Check deposits made through Mobile Easy Deposit before 6:00 p.m. on Business Days will be processed the same Business Day, subject to verification and validation of the deposit. This verification may result in a delay of the availability of the funds deposited in accordance with the Bank's policy.
Automated Teller Machine Transactions	Withdrawals and transactions before 2:30 p.m. on Business Days will be processed the same Business Day. The Bank will place a hold in your account for withdrawals made after 2:30 p.m. or on non-Business Days that will impact you available balance and may affect your ability to make purchases or other withdrawals. **Easy Deposit ATM** Cash Deposits made through Easy Deposit ATM before 9:30 p.m. on Business Days will be processed the same Business Day. Cash deposits made after this time will impact your available balance, but funds will be immediately available only for purchases and withdrawals with your Debit card. Check deposits made through Easy Deposit ATM before 6:00 p.m. on Business Days will be processed the same Business Day, subject to verification and validation of the deposit. This verification may result in a delay of the availability of the funds deposited in accordance with the Bank's policy. Payments made before 5:00 p.m. on business days will be processed the same business day.
Debit Card Purchases	Purchases made before 3:00 p.m. on Business Days with a Debit Card will be processed the same Day. However, purchases made after this time will be subject to a hold that may impact your ability to make purchases or other withdrawals. Purchases made with the VISA® Debit Card will be processed when the merchant sends the transaction to us. If the Bank authorize(s) the purchase(s), a hold to your Account will be placed in the amount(s) of the purchase(s); this may impact your ability to make purchases or other withdrawals. If the purchase is authorized by the Bank before 3:00 p.m., the hold may impact the posting process and affect the payment of other items (refer to the Posting Order section of this Agreement). **Please note that you will incur an overdraft fee if you have opted into Overdraft Protection and the VISA® Debit Card transaction is authorized at a time that your account lacks sufficient funds to cover the transaction.**
ATH Móvil (Person to Person) Fund Transfers and Purchases	ATH Móvil Transfers and Purchases made before 3:00 p.m. on Business Days will be processed the same Day. However, transactions made after this time place a hold on your Account that may impact your ability to make purchases, withdrawals, and other transfers.

Account Balances, Overdrafts, Returned Items & Related Fees

Account Balances. Your Account has two kinds of balances: your current or ledger balance and your available balance. The Bank uses your current balance when determining whether a transaction will cause your Account to overdraw, which may result in the imposition of overdraft fees. The information below explains how your Account balances work, including the differences between your current balance and your available balance. Examples are used to help explain when the Bank may charge an overdraft fee because of insufficient funds.

- **Current or Ledger Balance**. Your current or ledger balance is the balance that is used and adjusted during item posting at the end of a Business Day. Debits and credits are posted against your ledger balance in the order set out in the section titled *Transaction Processing and Account Posting Order*. During this "posting process", 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, overdraft your account and overdraft fees may apply.

  Your ledger balance does not change between posting periods. This means that the ledger balance at the end of day "posting process" will be the starting ledger balance at the beginning of the next Business Day's account posting period.

  Your ledger balance reflects transactions that have "posted" to your account, but it does not include transactions that have been authorized and are pending. While it may seem that the current balance is the most up-to-date display of the funds that you can spend from your account, this is not always the case. Your Account may have purchases, holds, fees, other charges, or deposits made on your Account that have not yet posted and, therefore, will not appear in your current balance. For example, if you have a ledger balance of $100.00 and you issue a check for $60.00, your current balance may still reflect $100.00 if the check transaction has not yet posted. While your current balance will be $100.00, your balance will ultimately be impacted by the $60.00 when this transaction posts.

- **Available Balance**. Your available balance is the amount of money that you can use right now. It considers holds that have been placed on deposits and transactions in process (such as pending debit card transactions) that the Bank has authorized but that have not yet posted to your account. The account balance information that you see at ATMs, TeleBanco, Mi Banco Online, Mi Banco Mobile and branches is typically the available balance.

  For example, suppose that your current balance and available balance are both $100, and you use your Debit Card before the transaction cutoff time to pay for a $35 charge. If the merchant requires us to preauthorize the payment, the Bank will place a "hold" on your account for $35. Your current balance will still be $100 because the debit card transaction has not yet posted to your account, but your available balance will be $65. When the merchant submits the transaction for payment (which could be a few days later and could be for a different amount), the bank will post the transaction to your account and your current balance will be reduced by the appropriate amount.

Impact of Holds to Your Account. Sometimes funds in your Account are not available to cover your checks and other items. When we determine that funds in your Account are subject to a hold, dispute, or legal process, then these funds may not be available to cover your checks and other items. We usually make this determination once at the end of the day during our posting process. Some of the holds that may impact your available balance include check deposit holds, holds related to cash withdrawals, and authorization holds we place on the account for debit card transactions.

When you use your applicable Debit Card, a hold will be placed on your account. The hold may be in the amount of the transaction, or for a pre-established amount (for example, hotel or car reservations). A hold immediately reduces the amount of available funds in your account by the amount of authorization request. If, while the hold is in place, you do not have enough available funds in your account to cover other transactions you may have conducted (such as a check you previously wrote), those items may overdraw or be returned unpaid.

Your Debit Card transaction is paid when the merchant presents it to the Bank for payment that is, when the merchant asks us to transfer the funds from your Account to the merchant. However, if the Debit Card transaction is authorized before the transaction processing cutoff time, the resulting transaction hold will be considered during the transaction posting process, even if the transaction has not been presented for payment by the merchant (and has therefore not formally posted to the Account).

If the Debit Card transaction is authorized after the transaction processing cut-off time, the transaction will not be considered during that day's transaction posting process. Therefore, if other activity causes the funds available in your Account to drop below zero before the Debit Card transaction posts to your Account, you may no longer have sufficient funds to pay this transaction. If that occurs, and you do not have sufficient funds when the Debit Card transaction is presented for payment, we will overdraw your Account because we must honor our promise to pay the merchant. It is important to note that the payment of these transactions is at the Bank's discretion which means it is not guaranteed that we always will authorize and pay any transaction. However, if the transaction is paid, the authorization and payment of debit card transactions do not occur simultaneously there can be days between each.

For example, suppose that you opted into the Overdraft Service and on Monday, your current and available balances are both $100 and you use your Debit Card before the applicable cutoff time to pay for a $50 charge. If the merchant seeks preauthorization, a provisional hold will be placed on your Account and your available balance will be reduced to $50. Your current balance will still be $100 because the transaction has not yet posted to your Account. During the transaction posting process, this provisional hold will be considered, reducing the funds available to process other transactions to $50. If, on the same day, a check that you had previously issued for $100 is posted to your Account, it may be returned due to insufficient funds. Your current balance will still be $100, and your available balance will be $50.

In the same example above, if you had used your Debit Card after the cutoff time to pay for the $50 charge, the authorization hold would not have been considered during the transaction posting process. Your current and available balance would have remained at $100, and the check that you previously issued would have posted, leaving you with a $0 balance. When the Debit Card charge came in the next day, Your new current and available balance will be $50.

Overdrafts & Related Fees. An overdraft is the amount by which any item(s) posted to your Account on a Business Day exceeds your available balance. An overdraft occurs when you have non-available or insufficient funds in your Account to pay a transaction, but the bank decides to pay it.

- **Paying items presented against insufficient funds**. At our discretion, we may pay or decline to pay any item when it is presented if your available balance is less than the amount of that item plus other items received but not yet paid. We generally decline any requested ATM withdrawal unless your available balance at the time is equal to or more than the amount of the requested withdrawal.

We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize or pay any type of transaction. Even if we've paid overdraft items before, we are not required to do it in the future. We may also pay items drawn against the Account even if the payment of an item causes other items to be rejected for insufficient funds.

Withdrawals and debits at ATMs or with merchants may be subject to additional limitations described in the section titled *Overdraft Service for ATM and Debit Card Transactions*.

- **Your responsibility to repay overdrafts**. You agree to deposit sufficient funds to cover any overdraft, plus applicable fees for the amount in overdraft from the date of the overdraft until the date in which the complete payment is made. Also, you agree to reimburse us for any expense incurred in the collection of the overdraft including, but not limited to, legal fees and litigation expenses authorized by law.
- **Overdraft fees**. If we pay any debit against insufficient funds that causes your Account to overdraw, you may incur an overdraft fee. We may charge an overdraft fee during nightly processing for any paid item posted on a Business Day that overdraws your Account. We may limit the number of overdraft fees we charge on a Business Day. In either case, we require that you promptly deposit sufficient funds to correct any negative balance, including any related overdraft fees.
- **What you can do to avoid overdrafts**. We offer services that you can use to help manage your Account and help out you avoid overdrafts. You can avoid overdraft fees if you do the following:
  - Make sure that your Account always has sufficient funds to cover your transactions.
  - Check your Account balance before making payments or withdrawals with an ATM.
  - Keep a record of your transactions, including pending debits. It is important to not only rely on your available balance because you may have unposted transactions or payments in process that are not reflected in your available balance. Some examples of this could be checks, recurring payments such as gym monthly payments, certain debit card holds, and others.
  - Set up Mi Banco Alerts to get notices regarding your daily transactions and balances.
  - Consider requesting an Overdraft Protection Reserve Line of Credit to cover any unexpected transactions (refer to *Overdraft Protection* section for more information).
- **Overdraft Protection**. We offer overdraft protection in certain accounts with a Savings Section to help you manage your account to avoid overdraft fees. You are not required to opt-into our Overdraft Protection plan. When a debit is presented against non-sufficient funds in one of your protected accounts, we will automatically pledge funds from your Savings Section to cover the debit and thereby avoid either returning the debit unpaid or paying the item and overdrawing the account (which may result in an overdraft fee). Also, you may apply for a reserve line of credit to cover your transactions against non-sufficient funds subject to credit approval. Refer to Special Provisions for Account with *Reserve Line of Credit and/or Guaranteed Reserve* with Savings for more details.

Overdraft Protection depends on your having sufficient funds in your reserve line of credit and/or Savings Section to cover debits presented against your protected Account(s). If you do not maintain sufficient funds in the reserve line of credit and/or Savings Section of your 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 the debit unpaid for insufficient funds or non-available funds or pay the debit and overdraw the Account, and charge the corresponding overdraft fee against the account.

If you do not have Overdraft Protection, we may determine to pay a transaction applying the standard overdraft practices that are part of your account as follows:

- **Standard Overdraft Practice**. The Bank's standard overdraft practice is not to authorize or pay overdrafts for ATM and Debit Card transactions when you have insufficient or non-available funds unless you authorize it.

  The Bank's standard overdraft practice at our sole discretion, reserves the right to authorize and pay overdrafts for checks and other transactions made using your Account number, automatic bill payments and/or recurring Debit Card transactions. This means that the Bank does not guarantee that it will always authorize and pay any type of the transactions abovementioned. If the Bank does not authorize and pay an overdraft, your transaction will be declined. Whether the Bank pays the transaction is discretionary and depends on several factors, including the amount of the item, the type of transaction and the past activity in your Account.

  For example, the Bank typically does not authorize overdrafts if your account does not receive regular deposits, or your account has reflected overdrafts in the past. If the Bank determines to pay the transaction, your Account will be subject to an overdraft fee per paid transaction and your balance will reflect a negative balance. Such balance will be charged to your Account or any other account you may have with the Bank, as authorized by law. You authorize us to use the money from any subsequent deposits to your Account (including but not limited to a direct deposit of Social Security or any other state or federal benefit payment) to pay any overdraft and resulting fees in that Account. For deposits you have authorized, you understand and agree that if you don't want your benefits applied in this way, you may change your direct deposit instructions at any time with the person or organization paying the benefits.

  Additional information about overdraft fees that may apply to your account are described in your *Account Characteristics and Fees Disclosure*.

- **Overdraft Service for ATM and everyday Debit Card Transactions**. As set forth above, we will not authorize and pay overdrafts for ATM transactions and everyday Debit Card transactions unless you ask us to. You must affirmatively consent, or opt in, to overdraft service for these transactions. To do so, you must complete a Consent for *Overdraft Service* form and deliver it to the nearest branch, or mail the form to Banco Popular, Mail Services (632), P.O. Box 362708, San Juan, PR 00936-2708. You may download the form from our website at www.popular.com/en/services/overdraft/. Also, you activate the service from Mi Banco Mobile. On the menu, select "Go to Desktop Version", under "Accounts" select "Account Services", choose the accounts you want to consent (Opt-In), and press "Submit".

  If you opt into this Overdraft Service, the Bank may charge overdraft fees in the amounts disclosed on the *Consent for Overdraft Service* form and in your *Account Characteristics and Fees Disclosure*. Fees will reduce the amount of overdraft

coverage available to you. If you have not agreed to this service (that is, if you do not opt in), then these transactions will be declined for insufficient funds and the Bank will not charge an overdraft fee.

- If you have questions, please visit your local branch, or call 787-724-3659. 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 787-724-3659, by mailing your request to Banco Popular, Mail Services (632), P.O. Box 362708, San Juan, PR 00936-2708 or from Mi Banco Mobile. On the menu, select "Go to Desktop Version", under "Accounts" select "Account Services", choose the accounts you want to delete the consent (Opt-Out), and press "Submit".

Electronic Funds Transfer ("EFT") 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 such services.

PLEASE READ THIS EFT AGREEMENT AND ANY EFT DISCLOSURES RELATED TO THE SERVICE CAREFULLY, AS THEY INCLUDE IMPORTANT CONSUMER RIGHTS.

Types of EFT Services

- **Debit Cards**. In general, we will offer you a VISA® Debit Card when you open a checking or savings account with us. As used in this Agreement: (i) "VISA® Debit Card"; (ii) "ATH Regular Card" refers to the card, not branded with the VISA® logo; (iii) "Banco Popular ATM" refers to an automated teller machine belonging to the Bank; and (iv) "ATM" used generally may refer to a Banco Popular 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.
- **ATM Fees**. When using any non-Banco Popular ATM (including any ATM participating in the ATH® network) to access your Banco 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 Banco Popular.

  In addition, the use of the Debit Card in Point of Sale (POS) transactions through electronic channels or mobile phones can include service fees charged by third party providers that may be added to the total amount of the transaction. Please refer to the terms of use of the particular transaction to learn about the applicable fees.

  For more information about the fees imposed by Banco Popular, please see the current *Account Characteristics and Fees Disclosure* related to your Account or visit the branch of your preference.
- **VISA® Debit Card**. The VISA® Debit Card may be used to obtain goods and services from all merchants affiliated with VISA®. However, IT IS NOT A CREDIT CARD. The amounts corresponding to goods and services purchase transactions, or cash withdrawals WILL BE DEBITED FROM YOUR TRANSACTION ACCOUNT WITH THE BANK.

- **Debit Card Usage**. You may use your applicable Debit Card and PIN to:
  - Withdraw cash from the Account linked to your Debit Card.
  - Make deposits to the Account linked to your Debit Card.
  - Transfer funds between Account sections (e.g., checking and savings) linked to your Debit Card.
  - Get information about the Account linked to your Debit Card.
  - Pay for linked Banco Popular credit products and/or available merchants through the Easy Payment feature.
  - Engage in other transactions added from time to time by Banco Popular.
  - To pay for purchases wherever the ATH® Regular card and/or VISA® cards are accepted.
  - To obtain cash advances from your Account (using the VISA® Debit Card) at banks, and other financial institutions where VISA® is accepted.
- **Limitations on Availability**. Some of these services may not be available at all ATM terminals. You may not be able to use your applicable Debit 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. The Bank is not responsible for the acceptance or lack of acceptance of the Debit Card anywhere outside the ATH® network.
- **Limitations on dollar amounts of transfers**. You may withdraw up to $500 from our ATM's per day when you use the Debit Card and PIN. For Popular Plus (VI), Popular Premium (PR) and Private Management Accounts (PR), you may withdraw up to $1,000 per day. If using the TelePago and Internet Banking Service, real-time funds transfers (debit or credit) are subject to the following limitations:

Transfers between Accounts in which the Client is a Signatory			
Account Type	Debit (Sent Transfers)	Credit (Transfers Received)	Daily Total Maximum Amount
Individual Checking and Savings	$10,000	$10,000	$20,000
Private Management Account	Unlimited	Unlimited	Unlimited
Transfers to Third Party Accounts			
Individual Checking and Savings	$2,500	$2,500	$5,000
Private Management Account	Unlimited	Unlimited	Unlimited

- **Our Right to Refuse Transactions**. We can refuse to authorize any transaction when your card has been reported lost or stolen or when we reasonably believe there may be fraudulent, suspicious or illegal activity.

  We also reserve the right to restrict cash withdrawal transactions from an Automated Teller Machine (ATM) or purchases through points of sale, when these services are not in direct communication with the Bank's central computer systems.

- **Late Processing**. 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.
- **Authorization Holds**. In the event that a merchant or financial institution, to whom a Debit Card is presented, obtains authorization from the Bank to accept one or more payment orders, a provisional hold will be placed on your Transactions Section, Reserve or Savings Section of your Account, for payment of said orders. You expressly release the Bank of any responsibility for holds or debits to the Account that are made with relation to one or more payments orders authorized by the Bank but thereafter not issued by You.
- **Visa Partial Authorization**. This is a service contracted by merchants directly with Visa which allows them to request authorization of the purchase for a lesser amount than the original transaction. If the business in which you are carrying out a transaction has contracted the Partial authorization Visa service, and at the time of the transaction you do not have the funds required for payment, the merchant could obtain partial authorization for the portion of funds available in your Account and request another payment method to cover the difference.
- **Ownership**. Debit Cards are the property of the Bank and are made available as a service to our customers. We may revoke and cancel your Banco Popular Debit Card privileges at any time without prior notice. The Debit Card assign to you is not transferable.
- **Inactivity**. Your card will be restricted if we consider your Account to be inactive or dormant. Also, your Debit Card will be automatically cancelled if there is no activity over a period of eighteen (18) consecutive months.

Electronic Transfers Using your Account Number. You may authorize a third party to transfer funds to or from your Account by providing your Account number and your routing number. These transfers may use various payment networks and may take various forms, such as:

- Employee payroll, government benefits or other direct deposits;
- One-time or recurring charges to your Account to a utility payment or to pay other bills; or
- A "check conversion" transfer, where a merchant or other payee creates an electronic transfer from your paper check. The merchant may keep your check or return it to you.

Notice of varying amounts. If these regular payments vary in amount, the person you are going to pay should tell you, ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment will differ by more than a certain amount from the previous payment, or when the amount fall outside certain limits that you set.

Mi Banco or Mi Banco Mobile. You may use Mi Banco or Mi Banco Mobile to view your Account information, make deposits, transfer funds between your Banco Popular accounts, pay qualifying Banco Popular loans or credit cards, or make payments from your Account to third parties. You must enroll for these services and agree to additional disclosures and specific terms for using these services when you enroll.

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 Social Security Number or ITIN 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 and that you will indemnify us and hold us harmless against any claims by third parties, as allowed by law, if we effect a transfer after identifying the caller using the above described procedure.

Important Information about your Debit Card

- In the event that the card is not activated within a period of six (6) months from the date the card was issued, the institution will proceed to automatically cancel the card for security and operational compliance reasons.
- **ATM Safety and Safeguarding your Account Information**. The convenience of our ATMs allows you to take care of your banking needs at any time. The security and privacy of your banking business at our ATMs depends on your caution and care. We suggest you take the following safety precautions when using any ATM:
  - 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 to minimize your time at the facility.
  - If you suspect the ATM isn't working properly or notice anything suspicious, cancel the transaction and find another machine.
  - Always save your ATM receipts and do not leave them or your card at the ATM 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.
  - Park in well-lit areas near the ATM. 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 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.

- **Use of Wireless Devices**. To safeguard against potential misuse of your Account, you should only access your Account through Mi Banco Online (desktop) or Mi Banco Online (mobile) 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 TeleBanco Popular at 787- 724-3659 (mobiles and Metropolitan Area) or toll free 1-888-724-3659 (outside Metropolitan Area) 24 hours a day, seven days a week. Telephone available for the hearing impaired (TDD): 787-753-9677 (Metropolitan Area) or toll free 1-800-981-9666 (outside Metropolitan Area) or by visiting a branch. For unauthorized electronic fund transfers or any other electronic fund transfer claims, please refer to the *General Disclosures for all EFT Services*.

- **Automated Clearing House (ACH) Transactions and Wire Transfers**. When we credit an ACH entry to your Account, such credit is provisional until we receive final settlement for the entry through a Federal Reserve Bank. If we do not receive such final settlement, we will reverse the amount credited to you in connection with the entry, and the party making a 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 NACHA, the entity that governs the ACH network and ACH transactions involving your Account, we are not required to provide you immediate notice of your ACH transactions, and we will not do so. However, we will continue to notify you of the receipt of such payments in periodic statements that we provide to you.

- **Foreign Exchange Transactions**. The exchange rate applied to card transactions that occur in a different currency will be selected by the network that processes the transaction. The network will select from the range of rates available in wholesale currency markets or a rate mandated by the government that issues or controls the currency in that country on the date it processes the transaction. The processing date on which the exchange rate is applied may differ from the date you used your card. When the card transaction is posted to your Account, we will charge a Foreign Exchange Rate Adjustment Fee on the card transaction amount after conversion to US Dollars. The exchange rate that we use may include a spread, commissions or other costs that we, our affiliates or vendors charge in providing foreign exchange to you. The exchange rate may vary among customers depending on your relationship, products with us, or the type of transaction being conducted, the dollar amount, type of currency and the date and time of the exchange. You should expect that these rates will be less favorable than rates quoted online or in publications.

General Disclosures for all EFT Services

In compliance with Regulation E, which regulates electronic transfers of funds in individual accounts, the Bank provides You with this disclosure about the terms and conditions under which the Bank provides the electronic funds transfer services and your rights and responsibilities under this Regulation. These provisions apply only to individual accounts, not to commercial accounts.

- **Responsibility**. Please notify us IMMEDIATELY if you believe your card, PIN or code has been lost or stolen or if you believe an electronic funds transfer has been made without your permission using information from your check. Communicating with us is the best way of keeping your possible losses down. You could lose all the money in your Account (plus your maximum line of credit). If you tell us within two (2) business days after you learn of the loss or theft of your card, you may lose no more than $50 if someone used your card without your permission.

  If you do NOT notify us within two (2) business days after you learn of the loss or theft of your card, code or PIN, and we can prove that we could have stopped someone from using your card, code or PIN without your permission if you had told us, you could lose as much as $500.

  Also, if your statement shows transfers that you did not make, including those made by card, PIN or other means, please notify us immediately. If You do not notify 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 long trip or a hospital stay) kept you from telling us, we will extend the time periods to make any of these notifications.

- **Contact in event of Unauthorized Transfer**. If you believe your card, code or PIN has been lost or stolen, call us at: (787) 724-3659 (mobile and metropolitan area in PR) or toll-free at 1-888-724-3659 (outside the metropolitan area, PR, USVI, and BVI) or write to: Banco Popular de Puerto Rico, Customer Contact Center (714), PO Box 362708, San Juan, Puerto Rico 00936-2708, or notify us in person.

  You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

- **Business Days**. For purposes of these disclosures, our business days are Monday through Friday, excluding federal holidays. Although the Bank offers services to the public on some Saturdays, Sundays and holidays, these will not be considered business days.

- **Confidentiality**. We will disclose information to third parties about your Account or the transfers you make:

  - Where necessary for completing transfers,
  - In order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant,
  - In order to comply with government agency or court orders, or
  - If you give us your written permission.

- **Receipts and Statements**. By using the Bank's ATM's or POS terminals, you can obtain a receipt for the transaction. However, we are not required to provide this receipt for transfers of fifteen dollars ($15) or less.

  If you have arranged to have direct deposits made to your Account at least once every sixty (60) days from the same person or company, you can call TeleBanco Popular at 787- 724-3659 (mobiles and Metropolitan Area) or toll free 1-888-724-

3659 (outside Metropolitan Area) 24 hours a day, seven days a week. Telephone available for the hearing impaired (TDD): 787-753-9677 (Metropolitan Area) or toll free 1-800-981-9666 (outside Metropolitan Area). to find out whether the deposit has been made.

You will get a monthly account statement showing all transactions processed by the Bank and the dates on which they were processed. If there are no transfers in a particular month, you will get the statement at least quarterly.

- **Right to stop payment and procedure for doing so**. If you have told us in advance to make recurring preauthorized payments out of your Account, you can stop these payments by calling or writing to us at:
  - (787) 724-3659 (mobile and metropolitan area in PR)
  - Toll-free at 1-888-724-3659 (outside the metropolitan area, PR, USVI and BVI)
  - Phones available for hearing impaired audio (TDD): (787) 753-9677 (metropolitan area in PR) or toll-free at 1-800-981-9666 (outside the metropolitan area in PR, USVI, and BVI), or
  - Banco Popular de Puerto Rico, Customer Contact Center (714), PO Box 362708, San Juan, Puerto Rico 00936-2708.

We must receive your request three (3) Business Days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call. We will charge you $15.00 for each stop payment order you give.

- **Our Liability for failure to stop payment of preauthorized transfer**. If you order us to stop a recurring payment three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses.
- **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, we will be liable for your losses. However, there are some exceptions. We may not be liable, for instance:
  - If the ATM where you are making the transfer does not have enough cash.
  - If the transfer would go over the funds available in your checking, savings or reserve line;
  - If the ATM is not working properly and you knew about the breakdown when you started the transfer.
  - If you had not notified the Bank of the theft, loss or possible unauthorized use of your card.
  - If circumstances beyond our control (such as fire or flood) prevent the transfer despite reasonable precautions that we have taken;
  - If the funds in the account are subject to a legal procedure, restriction or garnishment that prevents the transfer of funds.

Error Resolution Notice

In case of errors or questions about your electronic transfers call us at: (787) 724-3659 (mobile and metropolitan area in PR) or toll-free at 1-888-724-3659 (outside the metropolitan area, PR, USVI and BVI); phones available for hearing impaired audio (TDD): (787)753-9677 (metropolitan area in PR) or toll-free at 1-800-981-9666 (outside the metropolitan area in PR, USVI and BVI); or write us at: Banco Popular de Puerto Rico, Customer Contact Center (714), PO Box 362708, San Juan, Puerto Rico 00936-2708, as soon as you can if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement in which the problem or error appeared. Tell us your name and account number (if any); describe the error or transfer you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information; and tell us the dollar amount of the suspected error. If you tell us orally, we may require that you send us your claim or request in writing 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 to investigate your claim or request. If we decide to do this, we will provisionally credit your Account within ten (10) Business Days for the amount you think is in error, so that you have use of the money during the time it takes us to complete our investigation. If we ask you to put your claim or request in writing and we do not receive it within ten (10) business days, we may not provisionally credit your Account.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your Account for the amount you think is in error.

We will tell you the results within three business days after completing our investigation. If we decide 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.

Amendments to EFT Agreement

We have the right to amend 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.

Terms and Conditions for Wire Transfer Services

The following terms apply to the 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 several federal, state and local laws and regulations. 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 and 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.

The following terms shall apply to the wire transfers that you make or receive through the Bank's funds transfer service:

Payment Orders

- **Authorization**. When requesting a transfer of funds ("payment order"), you authorize us to debit from your Account the amount to be transferred, a service fee in accordance with the rates in effect at the time of the request, and any other expense incurred by us in relation to the origination, amendment or termination of a request for the transfer of funds. We will not resort to funds in any account other than the one specified in the request.

  You authorize the Bank to transfer funds from the Account as established in the security procedure selected to originate requests.

- **Security Procedures**. You agree to use the security procedures set forth in the *Appendix for Funds Transfers Security Procedures*, which is made part of this Agreement. You expressly acknowledge and agree that the procedure you have chosen is a commercially reasonable procedure and that it adapts to your particular circumstances. You acknowledge that these procedures are designed to detect unauthorized bank payments and not to detect errors in the content of the instruction. You accept responsibility for the transfer, provided the Bank has accepted the payment order in accordance with the established security procedure.

- **Selection of Beneficiary Bank; Discrepancies in Names and Numbers**. Upon placing a payment order, you must select a financial institution ("Beneficiary Bank") to receive the order. You may instruct the Beneficiary Bank to credit the funds to an account or to hold the funds for the beneficiary. The Beneficiary Bank is responsible for following your instructions and for letting the beneficiary know when the funds are available. If you identify the beneficiary, the Beneficiary Bank or the intermediary bank by an account number or by a number and name, the intermediary bank and the Beneficiary Bank may rely on the number indicated and are not obligated to check to make sure that the account number belongs to the beneficiary of the transfer. You acknowledge that any loss or delay caused by the inaccurate identification will be your responsibility and not that of the Bank.

- **Selection of the Intermediary Bank**. We may select the intermediary bank or transfer system we deem appropriate under the circumstances for the funds to reach the beneficiary, including, but not limited to, Fedwire, SWIFT or Telex. If you order us to use a particular intermediary bank or system to transfer funds, through which the Bank will process the payment order, you assume all risk for errors or failure of the intermediary bank to pay, and all loss risks caused by the use of the means selected.

- **Conversion to Foreign Currency**. If you so request, we will convert the funds to the currency of the receiving country at the exchange rate in effect at the time the payment order is executed. We cannot guarantee that the beneficiary will receive the funds in US currency, even when you so request. The Beneficiary Bank may charge a currency conversion fee. The actual amount received by the beneficiary could be reduced due to the application of fees charged by the Beneficiary Bank, including currency conversion fees. We will not be responsible for the conversion rate applied by the receiving bank.

  Foreign currency transfers must be made within two Business Days after we receive your request. Should we have to return funds that would have been converted to a foreign currency, such funds will be paid based on the prevailing exchange rate at the time of return, after deducting expenses incurred.

- **Fees**. The amount of funds transferred, in both international transfers and transfers within the United States, could be reduced due to fees charged by the issuing bank and the correspondent bank, including those charged by us.

- **Claims**. You must notify us of any error, delay or other problem with a transfer of funds within thirty (30) days following the date of receipt of notification of execution of the transfer or of the statement that includes the transfer, whichever occurs first. In case of error or delay caused by the Bank, we will be responsible only for reimbursing the amounts stipulated by applicable law. Under no circumstances will we be responsible for indirect or incidental damages related to such transfer. Any payment of interest, as appropriate, will be paid at the average federal funds rate published by the Federal Reserve Bank of New York, for each day for which interest is payable, divided by three hundred sixty (360). If you do not notify us of any claim concerning the transfer of funds within one year of having received the notification of the execution of the transfer or of the statement in which the transfer is included, whichever occurs first, all claims will be null and void by virtue of the applicable law.

- **Delays or Failure to Execute Transfers**. In general, the Bank makes electronic transfers, although it could use other means. The Bank is not responsible, except to the extent required by law, for delays or failure to send the funds due to circumstances beyond its control, such as, but not limited to, conflicts with applicable laws or regulations, government action, national emergencies, labor disputes, fire, catastrophes, fortuitous causes, force majeure, bad weather, equipment failure, war, problems with electricity, communications, or means of transportation. The Bank shall not be responsible to You for delays or failure to execute the transfer of funds due to acts or omissions of the intermediary or beneficiary bank.

- **Cancellation or Amendment**. If You decide to cancel or amend the payment order, You may do so only if the Bank receives said instructions prior to having sent the funds and provided it has sufficient time to carry out the instructions. In general, once the Bank has sent the funds, You cannot cancel or amend the payment order, unless the Beneficiary Bank accepts said request. The Bank and/ or the Beneficiary Bank may charge a fee for the cancellation or amendment of the transfer. The Bank shall not be responsible for any loss resulting from the Beneficiary Bank's noncompliance with the cancellation or amendment of the transfer of funds.

- **Rejection of a Transfer Request**. The Bank reserves the right to reject any request for the transfer of funds. The Bank is not obligated to accept a request, neither in its totality or in part, and may delay accepting any request if (a) the transfer requested exceeds the funds of Depositor that have been collected and are available in the designated account; (b) it is not in accordance with the Security Procedures; (c) it is not duly authorized; (d) it does not provide the information required by the Bank; (e) it is not in compliance with this Agreement; (f) it is not practical or possible to accept; or (g) the Bank understands that the transfer does not comply with any provision of the applicable laws.

- **Cut-off Time**. If the Bank receives the request for the transfer of funds on the cut-off time or after the cut-off time, the request will not be processed until the next funds-transfer business day.

Incoming Transfers

- **Authorization**. You authorize the Bank to credit to your Account all payment orders for the transfer of funds received in accordance with this Agreement.
- **Inconsistent Name and Account Number**. If a payment order received by the Bank identifies a beneficiary or the Beneficiary Bank only with an identification number, you authorize us to accept only the identification number of the beneficiary or Beneficiary Bank, without making any other inquiry. If the request identifies the beneficiary or Beneficiary Bank by name and account number, the Bank may accept only the number as the appropriate identification, even if the number is associated with a name other than name of the person or the Bank identified by name. We will also have the option, in that case, of returning the funds to the remitter. You agree that we will not be responsible for any delay that arises from our efforts to reconcile the inconsistencies between the account name and number, or for investigating if irregularities are suspected.
- **Payment to the Bank/Fees**. The amount of the funds, in international transfers as well as in transfers made within the United States, could be reduced due to fees charged by the issuing bank and the correspondent bank. The Bank shall deduct any applicable fees from any transaction it receives, and it shall inform You by mail every time the Bank debits or credits your Account for the transfer of funds. You must repay the Bank the amount of funds transferred if it receives an erroneous credit. Likewise, You shall be responsible for expenses incurred due to the omission of identifiers of the beneficiary bank and for fees charged by the correspondent bank selected.
- **Transfers Received in Foreign Currency**. The Bank shall convert funds to US dollars at the prevailing exchange rate in the Bank on the day the funds are accepted. This rate includes a commission for the conversion service.
- **Acceptance of Transfers**. The Bank shall not be responsible in any way for accepting a transfer of funds received for your benefit. Although the current practice of the Bank is to notify You of the acceptance of a transfer in US dollars within two days following the payment date, in the case of transfers made through a system other than the Automated Clearinghouse (ACH), the Bank is not obligated to provide such notification. The Bank shall credit the account of the beneficiary for a transfer accepted on the date the order is paid if it is received before the cut-off time of a funds-transfer business day, or on the next funds-transfer business day.
- **Provisional Payment of Transfers Received**. The credit provided by the Bank to You for funds transferred is provisional until the Bank receives the final payment for the amount transferred. Should the Bank not receive the final payment for the transfer of funds You agree to reimburse the Bank for the amount of the transfer. An unaccepted payment order is cancelled as provided by law at the closing of the fifth funds-transfer business day.
- **Account Statements**. All transfers of funds shall be reflected in your periodic bank statement. If You believe that the transfer of funds is not correct, or if more information on a transfer of funds is needed, You must notify the Bank in writing upon discovering the error, or no later than thirty (30) days after having received the first notice or statement containing the discrepancy, whichever occurs first.

Addendums related to Funds Transfer Services

The following addendums (as applicable), once completed and signed, shall form an integral part of this Agreement:

Addendum A - Designation of Accounts and Authorized Representatives

Addendum B - Funds Transfers Security Procedures

Addendum C - Authorization for Repetitive Transfers

Addendum D - Authorization to Honor Requests for Transfers Received by Fedwire or SWIFT

Miscellaneous Provisions

Funds Transfer Business Day. Any day, other than Saturday or Sunday, during which the Bank and Federal Reserve Bank of New York are open for business

Cut-off Time. Refers to the deadline which, from time to time, the Bank establishes to receive, process, transmit, cancel or amend payment orders.

Law Governing Transfers. The rights, duties and responsibilities of the parties are governed by the provisions of Chapter 4 (Transfer of Funds) of the Puerto Rico Commercial Transaction Act and shall be subject to the laws of the Commonwealth of Puerto Rico. If any part of a transfer of funds involves the use of Fedwire, your rights and obligations as well as the Bank's in relation to the electronic transfer shall be governed by Regulation J of the Federal Reserve Board.

Disclosure Regarding Truth-in-Savings (Regulation DD)

The Truth-in-Savings Act requires disclosure of the terms and conditions under which interest will be paid and service charges imposed.

Interest Rate. Interest Rate and the Annual Percentage Yield (APY) for the Account are listed in the *Account Characteristics and Fees Disclosure* section of the Account. In the event of a change in the interest rate, the Interest Rate and APY to be paid in the account shall be the one effective on the last day of the cycle covered by the Account Statement.

The Bank, at its discretion, determines the Interest Rate. The Interest Rate and Annual Percentage Yield (APY) may be changed at any time.

Minimum Deposit/Balance Requirements. Minimum initial deposit, if any, and minimum balance requirements applicable to the Account are listed in the *Account Characteristics and fees Disclosure*.

Computation Method. The Bank uses the Average Daily Balance method to calculate interest on the Account. This method applies a Periodic Rate to the Average Daily Balance in the interest payment period.

The Average Daily Balance is determined by adding the principal in the account for each day of the cycle and dividing that total obtained by the number of days in the cycle.

Computation and Interest Payment. Interest will be computed monthly and credited to the Account, as specified in the *Account Characteristics and Fees Disclosure* section for the Account.

Interest will be paid on the funds deposited, when: (i) the Account remains open on the last cycle day of the Account Statement during the Interest Payment Period, and; (ii) You maintained the balance required by the Bank during the cycle covered on the Account Statement or the Interest Payment Period.

Interest begins to accrue on the business day of deposit, when items are deposited (e.g., checks).

Charges. Applicable charges and overdraft fees are disclosed in the *Account Characteristics and Fees Disclosure* related to your Account.

Disclosure Regarding the Truth-In-Lending Act (Regulation Z)

(Important notice: This information applies only if You make use of the Reserve Line of Credit.)

Applicable Charges. The applicable charges, including the Interest Charge and the method to calculate such charges are included in the Special Provisions for Reserve Line of Credit (GEN- 685A).

Your Billing Rights. This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

What to Do If You Find a Mistake on Your Statement. If you think there is an error on your statement, write to us at: BANCO POPULAR DE PUERTO RICO, Customer Contact Center (714), PO BOX 362708, San Juan, Puerto Rico 00936-2708. In your letter, give us the following information:

- Account information: Your name and account number.
- Dollar amount: The dollar amount of the suspected error.
- Description of problem: If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 days after the error appeared on your statement.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors in writing. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

What Will Happen After We Receive Your Letter

When we receive your letter, we must do two things:

- Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.
- Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

While we investigate whether or not there has been an error:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

After we finish our investigation, one of two things will happen:

If we made a mistake: You will not have to pay the amount in question, or any interest or other fees related to that amount.

If we do not believe there was a mistake. You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe, and the date payment is due. We may then report you as delinquent if you do not pay the amount, we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us. If we do not follow all of the rules above, you do not have to pay the first $50 of the amount you question even if your bill is correct.

MAINTAINING AND MANAGING YOUR ACCOUNT

Pledge of Funds

You may pledge to the Bank any funds deposited in the Account, as collateral security for any obligation granted by the Bank, if such guarantee were required and accepted by the Bank. Funds deposited in the Account shall not be pledged or assigned to third persons or institutions as guarantee for loans and other obligations except as accepted in writing by the Bank.

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 heck, a copy of the check, or a notice of return.

Loss of Non-issued Checks (Blank Checks)

You agree to immediately notify the Bank in writing in the event of the loss or theft of any unissued checks. You shall have the option of closing the Account, in which case, a new account will be opened with the corresponding balance, or requesting a stop payment order of the checks, which shall be subject to the terms applicable to stop payment orders in this Agreement.

Check Orders

You shall place check orders with those suppliers that meet the quality and processing requirements established by the Bank. Refer to a Bank Consultant to obtain more information.

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.

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, regardless of whether such transactions are denominated in foreign currency.

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 if: (i) it exceeds your available funds on deposit with the Bank; (ii) we have reason to believe the transaction may not be authorized by you; (iii) it involves funds subject to a hold, dispute or legal process preventing their withdrawal; (iv) it violates any provision of any applicable regulation of the Federal Reserve or any other federal, state or local regulatory authority; or (v) we have reasonable cause not to honor it, 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, and joint accounts in your name and another individual's name, 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.

Change of Address

You shall notify the Bank immediately of any change of address at which your periodic statements are received: in writing; in person by visiting any branch; through TeleBanco Popular at 787- 724-3659 (mobiles and Metropolitan Area) or toll free 1-888-724-3659 (outside Metropolitan Area) 24 hours a day, seven days a week; Telephone available for the hearing impaired (TDD): 787-753-9677 (Metropolitan Area) or toll free 1-800-981-9666 (outside Metropolitan Area) or through any other means provided by the Bank from time to time, of any change of address at which your periodic statements are received.

Address changes may be requested only by valid Account Owners upon proper verification. The change will be effective on the next business day after receipt of notice or as determined by the Bank from time to time.

You agree that the Bank shall not be liable for delays in the receipt of the Account Statement or any other notice or correspondence, when a change of address has not been notified.

Statements and Notices

Our statements and notices are available in Spanish and English according to your selection when you opened your Account. You may request to change the language on future notices and statements through TeleBanco Popular at 787- 724-3659 (mobiles and Metropolitan Area) or toll free 1-888-724-3659 (outside Metropolitan Area) 24 hours a day, seven days a week. Telephone available for the hearing impaired (TDD): 787-753-9677 (Metropolitan Area) or toll free 1-800-981-9666 (outside Metropolitan Area). or in person by visiting a branch. The language change in statements will not be effective immediately; it will be effective once your current statement cycles. We cannot provide past statements in a language other than the one already generated.

ACCOUNT STATEMENTS OR NOTICES RETURNED OR UNDELIVERABLE - We will mail your account statements to the last known address provide by you pursuant to this agreement. Your Account statements or notices will be considered unclaimed or undeliverable if they are returned to us through the mail. We may discontinue sending account statements and notices and we may destroy the account statements and notices returned to us as undeliverable. We will not attempt to resume delivery of account statements and notices to you until you provide us with a valid postal address.

ACCOUNT STATEMENTS – Your statement includes important information on all account activity during a specific period known as a "cycle." Banco Popular provides this information on a monthly or quarterly basis (depending on the product) via regular mail or e-statement, according to your selected delivery method.

The *Account Characteristics and Fees Disclosure* for your related account will outline how frequently the Bank will send the account statement. The Account Statement shall reflect all transactions in the Account during the period covered in the Statement.

You shall notify the Bank immediately, in writing, if you have not received the Account Statement within the fifteen (15) days following the closing of the corresponding cycle, unless otherwise stated by law or regulation applicable to the Bank.

You must exercise reasonable control over matter relating to your statements and account activity, including, checks, deposit slips, endorsement, and debit cards. It is your responsibility to keep them safe and secure. You agree to promptly examine and exert reasonable care in the review of each Account Statement and the documents included therewith to identify any unauthorized charges or activity, including charges for altered checks, check issued with fraudulent signature or without signature. The Account Statement shall be deemed correct, unless You promptly notify the Bank, in writing, of any error. The Bank shall not be responsible for an unauthorized or disputed Account charge if: (a) You did not exercise reasonable care when reviewing

the account activity reported in your Account Statement and did not inform the Bank about unauthorized signatures or alterations within the thirty (30) days following the date of the Account Statement; or (b) the payment orders were so expertly forged that a reasonable person would not have detected the forgery or alteration. Moreover, should You receive substitute checks with your Account Statement, You shall examine them and inform the Bank about any claims you may have with regards to such substitute checks within the term and pursuant to the procedures set forth in the *Funds Availability (Regulation CC)* section of this Agreement.

If you suspect that someone has made an unauthorized electronic withdrawal from your Account, you agree to report it immediately by calling TeleBanco Popular at 787- 724-3659 (mobiles and Metropolitan Area) or toll free 1-888-724-3659 (outside Metropolitan Area) 24 hours a day, seven days a week. Telephone available for the hearing impaired (TDD): 787-753-9677 (Metropolitan Area) or toll free 1-800-981-9666 (outside Metropolitan Area) or by visiting a branch.

The error resolution provisions immediately preceding this paragraph are applicable to transactions other than electronic funds transfers. For unauthorized electronic funds or transfers, or any other electronic funds transfer claims, please refer to the *Electronic Funds Transfer Agreement and Disclosure* section of this Agreement, and the separate *Disclosure for Electronic Funds Transfers* document for a detailed explanation of your obligations under the regulation.

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.

You shall carefully examine the Account Statement to detect whether any deposit or electronic credit has been omitted or added. You shall immediately notify the Bank of any such situation in order that the Bank may be able to investigate the claim and take any necessary action.

The Bank reserves the right to request, and You agree to provide, any document or sworn statement that might be necessary to process a claim under this section.

SPECIAL PROVISIONS FOR ACCOUNTS WITH RESERVE LINE OF CREDIT AND/OR RESERVE GUARANTEED WITH SAVINGS

A Reserve is a line of credit provided to you as an overdraft protection program to help you manage your Account to avoid overdraft fees. There are two (2) types of Reserve: Reserve Line of Credit and Reserve Guaranteed with Savings.

Reserve Line of Credit. You may apply for a Line of Credit (the "Reserve Line of Credit") in accounts where it is offered up to the maximum amount established by the Bank from time to time. The maximum number of owners allowed in a Deposit Account to request this product is 2. You may draw against your Reserve Line of Credit by using checks, through withdrawals or purchases using your Debit Card, TelePago Popular, EFT Payment transactions or any other mechanisms that the Bank authorizes in the future, up to the maximum amount established by the Bank from time to time.

If after a Reserve Line of Credit is approved and disbursed, You are interested in adding a co-owner/co-debtor, both must go through the required process for credit approval, opening a new Deposit Account that offers this product. In accounts with an approved reserve line of credit, including an authorized signatory is not permitted.

You authorize the Bank to request and obtain the necessary credit reports for the approval or renewal of the Reserve Line of Credit. Also, You authorize the Bank to disclose to third parties, upon request, any data pertaining to our credit experience with You, subject to applicable laws and regulations.

We may report information about your Account to credit bureaus. Late payments, missed payments, or other defaults on your Account may be reflected in your credit report.

Processing of checks or payments orders will be debited in the following order: (i) the balance in the Transactions Section in your Account, (ii) the available balance in the Reserve Line of Credit, and (iii) the Reserve Guaranteed with Savings up to the available balance, if any.

You may draw directly against the Reserve Line of Credit through payment orders issued through the use of special checks. If You issue such payment orders but do not have either an authorized Reserve or available balance in the Reserve Line of Credit, said payment order shall be charged against any funds available in the Transactions Section.

The Reserve Line of Credit will be subject to an Interest Charge, from the date was granted to the date of the complete payment. The Interest Charge is disclosed in the Special Provisions for Reserve Line of Credit (GEN-685A). The monthly Interest Charge that the Bank will collect is computed based on: the Annual Percentage Rate divided by the number of days in a year (365). We figure the interest charge on your Account by applying the periodic rate to the "average daily balance" of your Account. To get the "average daily balance" we take the beginning balance of your Account each day, add any new [purchases/advances/fees], and subtract [any unpaid interest or other finance charges and] any payments or credits. This gives us the daily balance. Then, we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "average daily balance".

The Interest Charge will accrue and shall be collected from the date the Bank processes the advance until the date of its complete payment.

The Interest Charge and the corresponding Annual Percentage Rate may be changed periodically. Any change in the Interest Charge and in the corresponding Annual Percentage Rate shall be applicable to the outstanding balances prior to the effective date of such changes as well as to new charges. The Bank shall notify You, in writing, the change and its effective date.

You can make payments to the Reserve Line of Credit at any time at branches or using the services related to the account (TelePago Popular, Internet Banking and Mobile Banking). The Bank will also make consecutive monthly debits to the Account for the amount described below if a balance is owed on the Reserve Line of Credit at the end of each billing cycle:

a) 1/60 of the balance owed or a minimum payment of $20, plus the Interest Charge, in the following accounts: Mi Cuenta (PR), Maxi Premium (PR), Popular Plus (VI), Popular Premium (PR), MultiCuenta (PR), Ideal (VI), Cuenta Popular (PR), Popular Checking (VI), e-account (PR & VI) and Private Management Account (PR).

b) 1/60 of the balance owed or a minimum payment of $10, plus the Interest Charge, in the Avance 50 accounts.

When the principal balance plus the Interest Charge is less than applicable minimum payment, the amount will be payable in full. If at the end of the billing period there is no balance available to make the minimum monthly payment, You will be in default for late payment, so your credit history could be affected, and your Reserve Line of Credit will be canceled.

Payments made by You in the Reserve Line of Credit will be credited in the following order: (i) to the Interest Charge applicable to the credit granted against the funds

on the Reserve Guaranteed with Savings, if applicable, and then to the other Interest Charge; (ii) to the principal outstanding balance on the Reserve Guaranteed with Savings, if applicable; (iii) and then to the Reserve Line of Credit.

The outstanding balance on your Reserve Line of Credit that could not be covered due to insufficient funds in the Transactions Section of your Deposit Account will accrue until your Account reflects a credit or deposit that covers the outstanding balance. The credit or deposit will be applied first to the interest owed, and then to the outstanding principal.

You may pay the principal, in whole or in part, at any time. In such case, You shall be liable for the payment of the Interest Charge that is accrued until the date of payment.

The Bank may modify or cancel your Reserve Line of Credit at any time, and You will remain obligated to pay the outstanding debt at that moment, including all Interest Charges. In the event of cancellation, the Transactions Section will remain active without the right to make advances under this section. In the event of a modification to your Reserve Line of Credit, the Bank will allow advances from it up to the limit established by the Bank as notified.

If the Account has more than one Account Owner all of the Account Owners will be considered joint debtors of the Bank, with joint and several liability, and each Account Owner authorizes the Bank to offset any amount due in the Reserve Line of Credit and/or the Guaranteed Reserve with Savings against the funds in the Account or in any other account any of the Account Owners may have.

Reserve Guaranteed with Savings – In the *Multicuenta* (PR) , Ideal (VI), Popular Plus (VI) and Popular Premium (PR) accounts, You may have access to a reserve guaranteed with the funds in the Savings Section of your Account (the "Reserve Guaranteed with Savings"). The Reserve Guaranteed with Savings protects you from overdraft fees and may be activated by using: checks, through withdrawals or purchases using your Debit Card, TelePago Popular, EFT Payment transactions or any other mechanisms that the Bank authorizes in the future, up to the available balance in your Savings Section, if any.

The Reserve Guaranteed with Savings will be activated when there are insufficient funds in the Transactions Section of the account and in the Reserve Line of Credit Section (if any) to cover a transaction. If this happens, the amount overdrawn will may be paid and the funds will be pledged in your Savings Section.

The amount pledged in the Savings Section will be for the amount needed to cover the transactions of your Account. Any amount pledged will continue bearing the interest rate established by the Bank.

You will not be allowed to withdraw or use the amount pledged in the Savings Section as collateral until You pay the Reserve Guaranteed with Savings.

The Reserve Guaranteed with Savings will be subject to an Interest Charge, from the date it is used to the date of the complete payment. The Interest Charge is disclosed in the Account Characteristics and Fees Disclosure. The monthly Interest Charge that the Bank will collect is computed based on the following:

a) Average daily balance - the sum of the outstanding balances during each day of the cycle divided by the number of days in that cycle.

b) Interest to be paid - the average daily balance multiplied by the Interest Rate disclosed in the Characteristics and Fees Disclosure of your account, divided by the number of days in a year (365). This result is multiplied by the number of days with balance owed in the Reserve Guaranteed with Savings.

The Interest Charge will accrue and shall be collected from the date the Bank processes the advance until the date of its complete payment.

The Interest Charge and the corresponding Annual Percentage Rate may be changed periodically. Any change in the Interest Charge and in the corresponding Annual Percentage Rate shall be applicable to the outstanding balances prior to the effective date of such changes as well as to new charges. The Bank shall notify You, in writing, of the change and its effective date.

You can make payments to the Reserve Guaranteed with Savings at any time at branches or using the services related to the account (TelePago Popular, Easy Payment, Internet Banking and Mobile Banking). The Bank will also make consecutive monthly debits to the Account for the amount described below if a balance is owed at the end of each cycle:

a) 1/60 of the balance owed or a minimum payment of $20, plus the Interest Charge, in the following accounts: Popular Plus (VI), Popular Premium (PR), MultiCuenta (PR) and Ideal (VI).

When the principal balance plus the Interest Charge is less than the applicable minimum payment, the amount will be payable in full.

Payments made by You to the Reserve Guaranteed with Savings will be credited in the following order: (i) to the Interest Charge applicable to the credit granted against the funds on the Reserve Guaranteed with Savings, and then, to the Reserve Line of Credit Interest Charge, if applicable; (ii) to the principal outstanding balance on the Reserve Guaranteed with Savings and then, to the Reserve Line of Credit, if applicable.

The outstanding balance in your Reserve Guaranteed with Savings that could not be covered due to insufficient funds in the Transactions Section of your deposit account will accrue until your Account reflects a credit or deposit that covers the outstanding balance. The credit or deposit will be applied first to the interest owed and then, to the outstanding principal.

You may pay the principal, in whole or in part, at any time. In such case, You shall be liable for the payment of the Interest Charge owed until the date of payment.

If the Account has more than one Account Owner, be it a Joint and Several Account ("And") or a Joint Account ("And/Or"), all of the Account Owners will be considered joint debtors of the Bank and each Account Owner authorizes the Bank to offset any amount due in the Reserve Guaranteed with Savings against the funds in the Account or in any other account any of the accounts owners may have.

OTHER GENERAL TERMS

Electronic Banking Services

The Bank offers various services with your Account, including certain ATM transactions, Telepago Popular, Internet Banking and Mobile Banking EFT Services. To access these services, you must maintain an account with the Bank. These services as well as any other services that the Bank may offer from time to time will be subject to their own terms and conditions and as applicable, the general provisions of this Agreement. In the event of a discrepancy with respect to the electronic services between the terms of the Electronic Banking Services Agreement and this Agreement, the terms of the Electronic Banking Services Agreement shall control. For details regarding the Electronic Banking Services Agreement, refer to www.popular.com, Terms & Condition of Use, Electronic Banking Services Terms of Use and Privacy Policy.

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 transactional communications regarding 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 hereby 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.

You may update any of the telephone numbers or email addresses associated with your Accounts at any time using any reasonable means to notify us. Also, you may revoke your consent for receiving informational calls, text messages or emails as part of this service orally or in writing at any time through any reasonable means. You can reach us at 787-724-3659 or write to us at: Banco Popular de Puerto Rico Mail Services (632), PO Box 362708 San Juan, PR 00936-2708

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.Popular.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.

Accounts Presumed to Be Abandoned/ Dormant / Inactive Accounts

If you have not made a withdrawal from, or deposit to, your Account for an extended period and we have been unable to contact you, your Account may be classified by us as "dormant" or "inactive". To obtain information about the period for an account to be classified as "dormant" and/or applicable fees, please refer to the *Account Characteristics and Fees Disclosure for the related account*. Funds in your Account may be rendered abandoned under the law of your state of residence. Each state has laws that govern the type of activity or transactions that would be recognized as a valid claim on the funds deposited in your Account, and when will the Bank be required to send your funds to the corresponding state.

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, 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 the Commonwealth of Puerto Rico. If we consider your Account inactive, 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.

Right of Setoff and Security Interest

If you owe a debt (including fees or charges) to us (either now or in the future) that is due or overdue, you grant us a right of setoff to, and a security interest in, all of your Accounts and, as a consequence, we may exert our right and debit your account to pay all or part of that debt.

Your accounts include both accounts you own individually and accounts you own jointly with others. We may use fund held in your joint accounts to repay obligations on which any Account Owner is liable, whether jointly with another or individually. To ensure you pay us all amounts you owe us under this Agreement (e.g., overdrafts and fees), you grant us a lien on and security interest in each account you keep with us. By opening and keeping each account with us, you consent to our asserting our security interest should

the laws governing this Agreement require your consent. Our rights under this security interest are in addition to and apart from any other rights under any other security interest you may have granted to us. You may not grant a security interest in, transfer, or assign your accounts to anyone other than us without our written agreement. We do not have to give you any prior notice to apply the funds except as required by law.

Collection Expenses

If the Bank has to refer your obligations for collection or enforce the provisions of this Agreement, you agree to pay additional expenses, including but not limited to attorneys' fees, court costs and any other amount authorized by us.

Right of Refusal and Closing Your Account

We reserve the right to refuse to open or service any account, or to accept additional deposits to an existing account, or to comply with any instruction or request that you make.

We may close your Account or other relationship with us at any time and without notice and/or without providing the reason for closing your Account. 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.

You may close your Account at any time for any reason or no reason without prior notice. We are not required to close your Account at your request if you have pending transactions, the account is overdrawn, your Account is subject to legal process (such as a garnishment, attachment, execution or levy), any type of holds (such as collateral hold, decedent hold or deposit hold) or you have a pending debt in the Reserve Line of Credit/ Reserve Guaranteed with Savings.

After your Account is closed, we have no obligation to accept deposits or pay any outstanding checks, but we may reopen your Account if we receive a deposit. We will have no liability for refusing to honor any item drawn on a closed account.

We will have no liability for any action we take under this section.

Death of Account Owner

In the event an Account Owner dies, the surviving Account Owner or Holder shall immediately notify the Bank. If we receive a notice of death of an Account Owner, we will codify the Account and freeze any funds pursuant to applicable law.

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.

In the event of the death of an Authorized Signatory, the Account Owner must submit to the Bank the necessary information to replace the signature of the deceased Authorized Signatory.

We are also not required to release any funds until we receive any documents we reasonably request pursuant to applicable law. The distribution of the account balance shall be subject to the provisions of the Puerto Rico Civil Code, the Puerto Rico Internal Revenue Code of 2011, as amended or superseded, or any other analogous law, and the regulations promulgated by the Secretary of the Treasury of Puerto Rico thereunder.

Adjudication of Incompetency of Account Owner

In the event an Account Owner is declared incompetent by a court, any Account Owner or Authorized Signer on your Account shall immediately notify the Bank. If we receive notice of incompetency, we may freeze, refuse, or reverse deposits and transactions and/or return governmental benefit payments made to the Account Owner.

We are also not required to release any funds until we receive any documents that reasonably establishes the new person's authority to act on behalf of the Account Owner in transacting on or closing the account.

Possible Financial Exploitation of the Elderly or Disabled

You acknowledge that the Bank may be required, by applicable law or regulation, to provide information about possible financial exploitation. Therefore, you authorize the Bank to disclose information such as your name, address, account signatories and transaction patterns to the agencies designated by any such law or regulation.

Legal Process Against Accounts/Attachments

You agree that the Bank will 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).

The Bank shall be under no obligation to contest, challenge, or question the terms of an order, notice of levy or writ of attachment, or to raise any defense that You may have against the person or entity promoting the order or writ. The Bank shall strictly comply with the terms of any such order or writ, until it has been served with an

order or a resolution issued by the same court or authority indicating that the same be released. Presentment to the Bank of evidence of payment of the debt or release of the obligation that prompted the order or notice of levy shall not be sufficient for the Bank to release the funds.

The Bank shall not be liable to you for amounts paid pursuant to an order, attachment, or notice of levy, even if such payment precludes the payment of items that are properly payable from the Account.

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.

If the order or writ of attachment is issued against any one of the Account Owners in a joint and several account (and/or), the Bank may proceed to freeze and/or deliver the funds as per the order or writ without the need to determine ownership of the funds or the legality of the order or writ.

The Bank may impose a processing fee in the event it is served with an order to garnish funds in the account. This fee is in addition to any fee collected from the party serving the legal process.

The Bank may, at its option, refuse to honor checks or payment orders against the Account for a reasonable period after receiving notification of an actual or potential claim against the Account.

Any attachment, pledge, or lien against the Account is subordinated to the Bank's right of setoff and security interest.

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 limited to 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 section of this Agreement, and the separate Disclosure for Electronic Funds Transfers document.

Banco Popular Privacy Policy for Consumers

Our Privacy Policy for Consumers is described in our publication, WHAT DOES POPULAR, INC. DO WITH YOUR PERSONAL INFORMATION. We provide our privacy policy to consumers who open a personal account with us. The privacy policy describes our policy on handling customer information and describes the situation when we may disclose this information.

You can also review our privacy practices on our website at www.popular.com/en/privacy.

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.

Compliance

You and any authorized signer agree to use the Account and services described in this Agreement only for lawful purposes and in accordance with applicable laws and regulations, including Anti-Money Laundering laws. You acknowledge and agree that in order to comply with the Bank's internal policies and/or applicable law (including the executive orders and regulations of the U.S. Department of Treasury's Office of Foreign Assets Control (OFAC), the Bank may be required to block funds, hold funds in suspense and/or turn over funds to appropriate authorities, and to obtain information about the provenance of funds and transactions.

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.

Special Provisions for Pass-Through Accounts

If you have opened a deposit account on behalf of the beneficial owner(s) of the funds in the account (for example as a trustee, agent, guardian, executor, custodian or funds held in some other capacity for the benefit of others), those beneficial owners may be eligible for "pass-through" insurance from the FDIC in the event of a Bank failure. This means the account could qualify for more than the standard maximum deposit insurance amount (currently $250,000 per depositor in the same ownership capacity). If the account has transactional features, you as the Account Holder must be able to provide a record of the interests of the beneficial owner(s) in accordance with the FDIC's requirements as specified below. The FDIC has published a guide that describes the process to follow and the information you will need to provide in the event Banco Popular fails. That information can be accessed on the FDIC's website at www.fdic.gov/deposit/deposits/brokers/part-370-appendix.html.

In addition, the FDIC published an Addendum to the guide, section VIII, which is a good resource to understand the FDIC's alternative recordkeeping requirements for pass-through insurance. The Addendum sets forth the expectations of the FDIC for pass-through insurance coverage of any deposit accounts, including those with transactional features. The Addendum will provide information regarding the records you keep on the beneficial owners of the funds, identifying information for those owners, and the format in which to provide the records to the FDIC upon bank failure. You must be able to provide this information in a timely manner in order to receive payment for the insured amount of pass-through deposit insurance coverage as soon as possible. You will have an opportunity to validate the capability to deliver the required information in the appropriate format so that a timely calculation of deposit insurance coverage can be made; further instructions relating to this opportunity will be communicated at a later time.

You agree to cooperate fully with us and the FDIC in connection with determining the insured status of funds in such accounts at any time. In the event of a bank failure, you agree to provide the FDIC with the information described above in the required format within 24 hours of a bank failure. As soon as a receiver is appointed, a hold will be placed on your Account and that hold will not be released until the FDIC determines that you have provided the necessary data to enable the FDIC to calculate the deposit insurance. You understand and agree that your failure to provide the necessary data to the FDIC may result in a delay in receipt of insured funds and may result in legal claims against you from the beneficial owners of the funds in the account. If you do not provide the required data, your Account may be held or frozen until the information is received, which will cause a delay in when the beneficial owners could receive funds. Notwithstanding any other provisions in this Agreement, this section survives after a receiver is appointed for us, and the FDIC is considered a third-party beneficiary of this section.

Venue

You and Banco Popular agree that any legal action arising under or related to this Agreement or to the services provided hereunder may only be brought and determined in the courts located in Puerto Rico, including the U.S. District Court for the District of Puerto Rico, and may not be brought in any other jurisdiction. You and Banco Popular hereby submit to the sole and exclusive jurisdiction of those courts and waive any rights either may have to transfer or change venue to any other jurisdiction, which shall not, however, preclude removal to the U.S. District Court for the District of Puerto Rico.

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:

Banco Popular de Puerto Rico
Mail Services (632)
PO Box 362708
San Juan, PR 00936-2708

Member FDIC

BANCO POPULAR®

Additional Disclosures
PRIVATE MANAGEMENT ACCOUNT

ACCOUNT GENERAL INFORMATION

Definitions

Private Banking

- Private Banking is the unit that offers personalized banking services to customers with liquid assets greater than $500,000 in Popular. This unit provides guidance for all financial needs of an individual or family, commercial credit, and financial planning. The services are offered to customers residing in Puerto Rico and the United States who meet the required parameters.

Private Management Account

- Is a deposit account design for individuals under the Private Banking program that allows to have in the same account statement, in an integrated form, a deposit account, an investment account, a secured line of credit, fixed term deposits, individual retirement accounts, reserve line of credit, personal loans without collateral and other products and services.

Account Statements

- The Account Statement shall include the balances and transactions related to the Checking Account, Reserve Line of Credit and Secured Line of Credit. At your option, the Account Statement may also include information of Statement Time Deposit, the balances of loans, credits cards, other deposit accounts and any IRA Account that You maintain.

Verbal or Electronic Instructions

- The Bank is hereby authorized to act pursuant to verbal instructions (by phone or in person) or instructions by e-mail issued by You or any person authorized by You to make transactions in the PMA ("Authorized Representative"). In some cases, the Bank may confirm in writing the instructions or transactions requested. The fact that the Bank does not confirm in writing will not affect the validity of the transaction executed pursuant to such instructions.

- You acknowledge that the Bank is willing to act under verbal or email instructions as a convenience to You. Therefore, You agree to indemnify the Bank, its affiliates, agents, and employees and to release from any liability, claim, loss, or demand, including attorneys' fees, arising out of or incurred by the Bank's compliance with verbal instructions (by telephone or in person) or by e-mail given by the Authorized Representative, including any damages arising as a direct or indirect consequence of such actions.

- You agree that the powers granted to the Authorized Representative shall continue in full force and effect until such time as they are revoked by You by means of written notice with acknowledgement of receipt. Therefore, the Bank is authorized to act in accordance with the verbal or e-mail instructions given by the Authorized Representative until such authorization has been revoked by You by means of a written notification with acknowledgment of receipt that such authority has been revoked.

- You agree that transactions that the Bank has begun to process in your Account(s), in accordance with the verbal or email instructions given by the Authorized Representative prior to receiving any notice of revocation from such authority, shall be valid and shall not constitute a violation of the Agreement.

BANCO POPULAR®

Additional Disclosures
POPULAR PREMIUM

POPULAR PREMIUM GENERAL INFORMATION

Definitions

Popular Premium

- Popular Premium is a program for customers who maintain an average annual balance of $100,000 or more in deposit and/or investment products at Popular. Additionally, customers who deposit an average of $15,000 or more per month into their personal accounts are eligible.

Popular Premium Account

- This is an individual deposit account exclusively for customers who belong to the Popular Premium program, as long as they meet the established parameters. We will evaluate your accounts periodically, in order to maintain your eligibility in the program. After the evaluation, if you do not meet the requirements, you will stop participating in the program and your Popular Premium account will automatically be converted to a Multicuenta Popular®.

Account Statement

- The account statement includes information on balances and transactions related to the checking section, money market (savings section), optional reserve line of credit (subject to credit approval) and line of credit guaranteed with savings (depending on the available balance the customer has in the savings section). The Account Statement also has a section titled “Other Bank Relations” that includes other products information that has the primary accountholder with Popular, such as your certificates of deposit, Individual Retirement Accounts (IRAs), personal loan balances, credit cards, and other individual deposit accounts.