

FOX CIARAN
Form 4
August 22, 2012

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
FOX CIARAN

(Last) (First) (Middle)

1420 NORTH MCDOWELL BLVD.

(Street)

PETALUMA, CA 94954

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Enphase Energy, Inc. [ENPH]

3. Date of Earliest Transaction
(Month/Day/Year)

08/20/2012

4. If Amendment, Date Original Filed
(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)

VP, Quality & Reliability

6. Individual or Joint/Group Filing (Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)	Code V Amount (D) Price		

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
---------------------------------	---------------------------	--------------------------------------	-----------------------------------	---------------------	------------------------------------	--	---

Edgar Filing: FOX CIARAN - Form 4

(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy) <u>(1)</u>	\$ 5.23	08/20/2012			A		8,500		07/12/2013 ⁽²⁾	08/19/2019	Common Stock	8,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FOX CIARAN 1420 NORTH MCDOWELL BLVD. PETALUMA, CA 94954			VP, Quality & Reliability	

Signatures

/s/ Ciaran Fox 08/22/2012
 **Signature of Date
 Reporting Person

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Issued pursuant to the 2011 Equity Incentive Plan.

The shares subject to the stock option vest over a four-year period commencing July 12, 2012, with 25% of the shares vesting on July 12, (2) 2013; thereafter, the balance of the shares subject to the option vests in a series of 36 equal successive monthly installments for so long as the Reporting Person provides Continuous Service, as defined in the 2011 Equity Incentive Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. g such proposal in our proxy materials.

Under Article I, Section 14 of the Corporation's By-laws, if a stockholder seeks to propose a nominee for director for consideration at the annual meeting of stockholders, notice must be received by the Corporate Secretary of the Corporation at least 30 days prior to the date of the annual meeting of stockholders. Accordingly, under the By-laws, any stockholder nominations for directors for consideration at the 2017 Annual Meeting must be received by the Secretary of the Corporation at the principal offices of the Corporation no later than April 25, 2017, assuming that the 2017 Annual Meeting is held on May 25, 2017.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our directors and executive officers, and persons who own more than 10% of a registered class of our equity securities, to file with the SEC initial reports of ownership and reports of changes in ownership of our common stock and other equity securities. Officers, directors and greater than 10% stockholders are required by SEC regulation to furnish us copies of all Section 16(a) forms

Edgar Filing: FOX CIARAN - Form 4

they file. To our knowledge, based solely on a review of the copies of such reports furnished to us and written representations that no other reports were required, during the fiscal year ended December 31, 2015, all Section 16(a) forms were filed in a timely manner except two Form 4s filed late by each of Pedro Romero, Lawrence Odell, Calixto García-Vélez, Carlos Power, Cassan Pancham, Emilio Martínó, Orlando Berges, Ginoris López-Lay, Aurelio Alemán and Nayda Rivera to report the disposition of shares required for tax withholding purposes upon the vesting of restricted stock; one Form 4 filed late by Emilio Martínó to report an

Table of Contents

award by the Corporation of Salary Stock; two Form 4s filed late by each of Roberto Herencia, David Matson, and Robert Gormley, and one Form 4 filed late by each of Juan Acosta and Donald Kafka to report the disposition of shares required for tax withholding purposes upon the vesting of restricted stock; and one Form 4 filed late by Donald Kafka to report an award by the Corporation of restricted stock.

HOUSEHOLDING

The SEC's householding rules permit us to deliver only one Notice of Annual Meeting and Proxy Statement or Notice of Internet Availability of Proxy Materials to stockholders who share an address unless otherwise requested. This procedure reduces printing and mailing costs. If you share an address with another stockholder and have received only one set of proxy materials, you may request a separate copy of these materials at no cost to you by calling Lawrence Odell, Secretary of the Board of Directors, at 787-729-8041, or by writing to Lawrence Odell, Secretary of the Board of Directors, at First BanCorp, 1519 Ponce de León Avenue, Santurce, Puerto Rico 00908. Alternatively, if you are currently receiving multiple copies of the proxy materials at the same address and wish to receive a single copy in the future, you may contact us by calling or writing to us at the telephone number or address given above.

If you are a beneficial owner (i.e., your shares are held in the name of a bank, broker, or other holder of record), the bank, broker, or other holder of record may deliver only one copy of the proxy materials to stockholders who have the same address unless the bank, broker, or other holder of record has received contrary instructions from one or more of the stockholders. If you wish to receive a separate copy of the proxy materials, now or in the future, you may contact us at the address or telephone number above and we will promptly deliver a separate copy. Beneficial owners sharing an address who are currently receiving multiple copies of the proxy materials and wish to receive a single copy in the future should contact their bank, broker, or other holder of record to request that only a single copy be delivered to all stockholders at the shared address in the future.

OBTAINING THE ANNUAL REPORT

A copy of our Annual Report on Form 10-K for the year ended December 31, 2015, which serves as our Annual Report to Stockholders, has been mailed concurrently with this Proxy Statement to all stockholders entitled to notice of and to vote at our annual meeting of stockholders. The Annual Report is not incorporated into this Proxy Statement and is not considered proxy-soliciting material. Stockholders may obtain copies of our 2015 Annual Report on Form 10-K (2015 10-K), as filed with the U.S. Securities and Exchange Commission, without charge upon written request. Any exhibits listed in the 2015 10-K will also be furnished upon written request at the Corporation's expense. Any such request should be directed to Lawrence Odell, Secretary of the Board of Directors, at First BanCorp, 1519 Ponce de León Avenue, Santurce, Puerto Rico 00908. An electronic copy of the 2015 10-K is also available on the Corporation's website at www.firstbankpr.com or at <http://bnymellon.mobular.net/bnymellon/fbp>.

By Order of the Board of Directors,

/s/ Lawrence Odell

Lawrence Odell

Secretary

San Juan, Puerto Rico

April 12, 2016

Table of Contents

FIRST BANCORP OMNIBUS INCENTIVE PLAN, AS AMENDED

Section I

PURPOSE

The purpose of the First BanCorp Omnibus Incentive Plan (the "Plan") is to develop and provide long term incentive compensation benefits to First BanCorp's (the "Corporation") employees and directors, who are expected to contribute significantly to the success of the Corporation and its Affiliates, a proprietary interest in the continued growth and success of the Corporation through the grant of stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares, and other cash and stock-based awards. The Plan is also intended to encourage recipients to remain in the employ of the Corporation and to assist the Board of Directors and Management in the attraction and recruitment of qualified officers to serve the Corporation and/or its Affiliates. The Plan is intended to comply with Section 1046 of the Puerto Rico Internal Revenue Code of 1994, as amended (with respect to calendar years commencing prior to January 1, 2011), Section 1040.08 of the Internal Revenue Code for a New Puerto Rico of 2011, as amended (with respect to calendar years commencing after December 31, 2010), and regulations promulgated thereunder, with respect to the Puerto Rico directors and employees participating thereunder, and Section 422 of the U.S. Internal Revenue Code of 1986, as amended, with respect to the U.S. employees participating in the Plan.

On January 21, 2007, the Corporation's 1997 Employee Stock Option Plan (the "1997 Option Plan") expired. All outstanding award grants under the 1997 Option Plan continue in full force and effect, subject to their original terms.

Section 2

DEFINITIONS

Whenever used herein, the following terms shall have the respective meanings set forth below:

- (a) **Affiliate** means any organization controlling, controlled by or under common control with the Corporation, or any corporation or other form of entity of which the Corporation owns, from time to time, directly or indirectly, 50% or more of the total combined voting power of all classes of stock. The term **Control** means the power (direct or indirect) to direct the policies and management of a company. In addition to the ownership of voting securities, control may be through voting trusts, stock in escrow and management.
- (b) **Award** means the award of an Option, a SAR, Restricted Stock, Restricted Stock Unit, Performance Share, or Other Stock-Based or Cash-Based Award under the Plan.
- (c) **Award Agreement** shall mean an agreement (whether written or electronic) which shall contain such terms and conditions with respect to an Award as the Committee shall determine, consistent with the Plan.
- (d) **Board** means the Board of Directors of the Corporation.
- (e) **Cause** means with respect to a Participant, any act or omission on the part of the Participant which involves personal dishonesty, willful misconduct, breach of fiduciary duty, a material violation of any law, rule or regulation of any regulatory agency, commission of a crime, a violation of any policy or rule of the Corporation or any Affiliates, or a material breach of any provision of any written covenant or agreement with the Corporation or any Affiliate, such as the willful and continued failure of the Participant to perform the duties set forth therein. No act or failure to act on the Participant's part shall be considered willful unless done, or omitted to be done, by him/her not in good faith and without reasonable belief that his/her action or omission was in the best interest of the Corporation. For purposes of this paragraph, any act or omission to act on the part of the Participant in reliance upon an opinion of counsel to the Corporation or to the Participant shall not be deemed to be willful or without reasonable belief that the act or omission to act was in the best interest of the Corporation.

Edgar Filing: FOX CIARAN - Form 4

- (f) Change in Control shall be deemed to have taken place if: (i) a third person, including a group as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, becomes the beneficial owner of shares

Table of Contents

of the Corporation having 25% or more of the total number of votes which may be cast for the election of directors of the Corporation or which, by cumulative voting, if permitted by the Corporation's charter or bylaws, would enable such third person to elect 25% or more of the directors of the Corporation; or (ii) as the result of, or in connection with, any cash tender or exchange offer, merger or any other business combination, sale of assets or contested election, or any combination of the foregoing transactions, the persons who were directors of the Corporation before such transaction shall cease to constitute a majority of the Board of the Corporation or any successor institution.

- (g) **Committee** means the Compensation and Benefits Committee of the Board or such other committee of the Board as the Board shall designate from time to time, which committee shall consist of two or more members, each of whom shall be a Non Employee Director within the meaning of Rule 16b-3, as promulgated under the Exchange Act, an outside director within the meaning of Section 162(m) of the U.S. Code, and an independent director under the rules of any exchange where the Common Stock may be traded.
- (h) **Common Stock** means the common stock of the Corporation, par value \$0.10 per share.
- (i) **Corporation** means First BanCorp., a Puerto Rico Corporation, and any successor thereto.
- (j) **Covered Employees** are any Executive Officers or other Eligible Persons who are or the Committee determines may be covered employees within the meaning of U.S. Code Section 162(m).
- (k) **Disability** means permanently disabled or incapacitated, due to physical or mental illness, if absent from his/her duties with the Corporation on a full-time basis for three consecutive months. To the extent any Award is deferred compensation under Section 409A, the term Disability with respect to such Award shall be determined with reference to Section 409A.
- (l) **Eligible Persons** means officers, directors and other employees of the Corporation or its Affiliates. The Committee will determine the eligibility of officers, directors and other employees based on, among other factors, the position and responsibilities of such individuals and the nature and value to the Corporation or its Affiliates of such individual's accomplishments and potential contribution to the success of the Corporation or its Affiliates. However, for purposes of the P.R. Code (Section 1046 of the Puerto Rico Internal Revenue Code of 1994, as amended, with respect to calendar years commencing before January 1, 2011, and Section 1040.08 of the Internal Revenue Code for a New Puerto Rico of 2011, as amended, with respect to calendar years commencing after December 31, 2010), only directors and employees in Puerto Rico of the Corporation or its Affiliates may be eligible to receive Options. Whereas, for purposes of Section 422 of the U.S. Code, only employees of the Corporation or its Affiliates may be eligible to receive ISOs.
- (m) **Exchange Act** means the Securities Exchange Act of 1934, as amended.
- (n) **Fair Market Value** means, with respect to stock or other property, the fair market value of such stock or other property determined by such methods or procedures as shall be established from time to time by the Committee. Unless otherwise determined by the Committee in good faith, the per share Fair Market Value of stock as of a particular date shall mean, (i) the closing sales price per share of stock on the national securities exchange on which the stock is principally traded, for the date of grant, or (ii) if the shares of stock are then traded in an over-the-counter market, the average of the closing bid and asked prices for the shares of stock in such over-the-counter market for the last preceding date on which there was a sale of such stock in such market, or if the shares of stock are not then listed on a national securities exchange or traded in an over-the-counter market, such value as the Committee, in its sole discretion, shall determine in good faith.
- (o) **ISO** means an Option that is an incentive stock option within the meaning of U.S. Code Section 422.

Edgar Filing: FOX CIARAN - Form 4

- (p) Non Employee Director means a member of the Board of Directors of the Corporation or an Affiliate who is not an employee of the Corporation or any Affiliate.

- (q) Non-qualified Stock Option means an Option that is not an ISO or a QSO.

Table of Contents

- (r) **Option** (including ISOs, QSOs and Non-qualified Stock Options) means the right to purchase Common Stock at a stated price for a specified period of time. For purposes of the Plan, an Option may be either (i) an ISO, (ii) a QSO or (iii) a Non-qualified Stock Option.
- (s) **Other Stock-Based Award** means an Award granted pursuant to Section 10 of the Plan.
- (t) **P.R. Code** means, with respect to calendar years commencing before January 1, 2011, the Puerto Rico Internal Revenue Code of 1994, as amended, and, with respect to calendar years commencing after December 31, 2010, the Puerto Rico Internal Revenue Code of 2011, as amended, including, for these purposes, any regulations promulgated by the Puerto Rico Department of the Treasury with respect to the provisions of the P.R. Code, and any successor thereto.
- (u) **Participant** means those Eligible Persons designated by the affirmative action of the Committee to participate in the Plan.
- (v) **Performance Cycle** means the period selected by the Committee during which the performance of the Corporation or any Affiliate or unit thereof or any individual is measured for the purpose of determining the extent to which an Award subject to Performance Goals has been earned.
- (w) **Performance Goals** means the objectives for the Corporation, any Affiliate or business unit thereof, or an Eligible Person that may be established by the Committee for a Performance Cycle with respect to any performance based Awards contingently granted under the Plan, provided that, for awards intended to qualify for the performance-based compensation exception under Section 162(m) of the U.S. Code:
- (i) The performance criteria that shall be used to establish Performance Goals may include any or a combination of the following as determined by the Committee: (i) net earnings (either before or after (A) interest, (B) taxes, (C) depreciation and (D) amortization), (ii) gross or net sales or revenue, (iii) net income (either before or after taxes), (iv) operating profit, (v) cash flow (including, but not limited to, operating cash flow and free cash flow), (vi) return on assets, (vii) return on capital, (viii) return on stockholders' equity, (ix) return on sales, (x) gross or net profit or operating margin, (xi) costs, (xii) funds from operations, (xiii) expense, (xiv) working capital, (xv) earnings per share, and (xvi) price per share of Common Stock, (xvii) regulatory ratings, (xviii) market share, (xix) growth in loans and/or other assets, (xx) growth in deposits, (xxi) various measures of credit quality, (xxii) customer satisfaction based on specified objective goals or a Corporation-sponsored customer survey, (xxiii) employee satisfaction based on specified objective goals or a Corporation-sponsored employee survey, (xxiv) economic value added measurements, (xxv) market share or market penetration with respect to specific designated products or services, product or service groups and/or specific geographic areas, (xxvi) total stockholder return or (xxvii) increase in stock price; any of these criteria may be measured either in absolute terms or as compared to any incremental increase or decrease or as compared to results of a peer group.
 - (ii) The Committee may, in its discretion, at the time of grant, specify in the Award that one or more objectively determinable adjustments shall be made to one or more of the Performance Goals. Such adjustments may include one or more of the following: (i) items related to a change in accounting principle; (ii) items relating to financing activities; (iii) expenses for restructuring or productivity initiatives; (iv) other non-operating items; (v) items related to acquisitions; (vi) items attributable to the business operations of any entity acquired by the Corporation during the Performance Cycle; (vii) items related to the disposal of a business or segment of a business; (viii) items related to discontinued operations that do not qualify as a segment of a business under United States generally accepted accounting principles; (ix) non-cash valuation changes related to financial instruments accounted for at fair value; or (x) any other extraordinary item as the Committee may consider appropriate.
- (x) **Performance Shares** means an Award made pursuant to Section 9 of the Plan, which are units denominated in Common Stock, the number of such units which may be adjusted over a Performance Cycle based upon the satisfaction of Performance Goals.

Table of Contents

- (y) QSO means an Option that is a qualified stock option within the meaning of P.R. Code (Section 1046 of the Puerto Rico Internal Revenue Code of 1994, as amended, with respect to calendar years commencing before January 1, 2011, and Section 1040.08 of the Puerto Rico Internal Revenue Code of 2011, as amended, with respect to calendar years commencing after December 31, 2010).
- (z) Restricted Period means the period of time during which Restricted Stock Units or shares of Restricted Stock are subject to forfeiture or restrictions on transfer.
- (aa) Restricted Stock means Common Stock awarded to a Participant pursuant to the Plan that is subject to forfeiture and restrictions on transferability in accordance with Section 8 of the Plan.
- (bb) Restricted Stock Unit means a Participant's right to receive, pursuant to this Plan, one share of Common Stock (or in the discretion of the Committee, its cash equivalent) at the end of a specified period of time, which right is subject to forfeiture in accordance with Section 8 of the Plan.
- (cc) Retirement means the voluntary termination of employment by a Participant after he or she has attained the age of 65 or such other age as may be determined by the Committee in its sole discretion or as otherwise may be set forth in the Award Agreement or other grant document with respect to a Participant and a particular Award.
- (dd) SAR means a stock appreciation right granted under Section 7 in respect of one or more shares of Common Stock that entitles the holder thereof to receive, in cash or Common Stock, or a combination thereof, at the discretion of the Committee (which discretion may be exercised at or after grant, including after exercise of the SAR), an amount per share of Common Stock equal to the excess, if any, of the Fair Market Value on the date the SAR is exercised over the Fair Market Value on the date the SAR is granted.
- (ee) Substitute Award shall mean an Award granted under this Plan upon the assumption of, or in substitution for, outstanding equity awards previously granted by a company or other entity in connection with a corporate transaction, such as a merger, combination, consolidation or acquisition of property or stock; *provided, however*, that in no event shall the term Substitute Award be construed to refer to an award made in connection with the cancellation and repricing of an Option or SAR.
- (ff) U.S. Code means the U.S. Internal Revenue Code of 1986, as amended, including, for these purposes, any regulations promulgated by the Internal Revenue Service with respect to the provisions of the U.S. Code (Treasury Regulations), and any successor thereto.

Section 3

ELIGIBILITY

Any Eligible Person shall be eligible to be selected to receive an Award under the Plan, except that ISOs, pursuant to U.S. Code Section 422, may be granted only to employees of the Corporation or a subsidiary.

Section 4

ADMINISTRATION

- (a) The Plan shall be administered by the Committee. The Committee may issue rules and regulations for administration of the Plan. It shall meet at such times and places as it may determine.

Edgar Filing: FOX CIARAN - Form 4

- (b) Subject to the terms of the Plan and applicable law, the Board, upon receiving the relevant recommendations of the Committee, shall have power and authority to: (i) designate Participants; (ii) determine the type or types of Awards to be granted to each Participant under the Plan; (iii) determine the number of shares of Common Stock to be covered by (or with respect to which payments, rights, or other matters are to be calculated in connection with) Awards; (iv) determine the terms and conditions of any Award, subject to Sections 6(c) and 7(a) hereof; (v) adopt the form of Award Agreements; (vi) determine whether, to what extent, and under what circumstances Awards may be settled or exercised in cash, shares of Common Stock, other securities, or other Awards, or canceled, forfeited or suspended, and the method or methods by which Awards may be settled, exercised, canceled, forfeited or suspended; (vii) correct any defect, supply any

Table of Contents

omission or reconcile any inconsistency in or among the Plan, an Award or an Award Agreement; (viii) determine whether, to what extent, and under what circumstances cash, shares of Common Stock, other securities, other Awards, and other amounts payable with respect to an Award under the Plan shall be deferred either automatically or at the election of the holder thereof or of the Board; (ix) interpret and administer the Plan and any instrument or agreement relating to, or Award made under, the Plan; (x) establish, amend, suspend or waive such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of the Plan; and (xi) make any other determination and take any other action that the Board deems necessary or desirable for the administration of the Plan.

- (c) All decisions of the Board shall be final, conclusive and binding upon all parties, including the Corporation, the stockholders and the Participants.

Section 5

COMMON STOCK SUBJECT TO PLAN; OTHER LIMITATIONS

- (a) Subject to adjustment as provided in (e) below, and, except as provided in (c) below, after May 24, 2016, (i) the maximum number of shares of Common Stock available for delivery under the Plan is [] shares and (ii) the maximum number of shares of Common Stock that may be subject to the grant of ISOs or QSOs is [].
- (b) The maximum number of Options, SARs or any Award granted in accordance with Section 11 below in any fiscal year may not relate to more than 750,000 shares for those Participants receiving shares for their services as directors of the Company, or 1.5 million shares of Common Stock with respect to all other Participants. The maximum value of a cash Award issued pursuant to Section 10 hereof shall be \$2 million.
- (c) If any shares of Common Stock covered by an Award, or to which such an Award relates, are forfeited, or if such an Award otherwise terminates without the delivery of shares of Common Stock, in either case, irrespective of whether such Award was granted before May 24, 2016 or on or after May 24, 2016, then the shares of Common Stock covered by such Award, or to which such Award relates, to the extent of any such forfeiture or termination, shall again be, or shall become, available for issuance under the Plan. Notwithstanding the foregoing, the following shares of Common Stock shall not become available for purposes of the Plan: (1) shares of Common Stock previously owned or acquired by the Participant that are delivered to the Corporation, or withheld from an Award, to pay the exercise price, (2) shares of Common Stock that are delivered or withheld for purposes of satisfying a tax withholding obligation, or (3) shares of Common Stock reserved for issuance upon the grant of a SAR that exceed the number of shares actually issued upon exercise.
- (d) Any Shares delivered pursuant to an Award may consist, in whole or in part, of authorized and unissued shares of Common Stock or shares of Common Stock acquired by the Corporation.
- (e) In the event that the Committee shall determine that any dividend or other distribution (whether in the form of cash, shares of Common Stock or other securities), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of shares of Common Stock or other securities of the Corporation, issuance of warrants or other rights to purchase shares of Common Stock or other securities of the Corporation, or other similar corporate transaction or event affects the shares such that an adjustment is determined by the Committee to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, then the Committee shall, in such manner as it may deem equitable, adjust any or all of (i) the number and type of shares of Common Stock (or other securities) which thereafter may be made the subject of Awards, including the aggregate and individual limits specified above, (ii) the number and type of shares of Common Stock (or other securities) subject to outstanding Awards, and (iii) the grant, purchase, or exercise price with respect to any Award or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding Award; *provided, however*, that the number of shares of Common Stock subject to any Award denominated in shares shall always be a whole number. Notwithstanding the foregoing, to the extent applicable, adjustments to Awards will be made only to the extent permitted under Section 409A of the U.S. Code.

Table of Contents

- (f) Shares of Common Stock underlying Substitute Awards, and Awards settled in cash, shall not reduce the number of shares of Common Stock remaining available for issuance under the Plan.

Section 6

STOCK OPTIONS

- (a) The Board, upon receiving the relevant recommendations of the Committee, may grant Options to Eligible Persons in the following forms: (1) ISOs; (2) QSOs, and (3) Non-qualified Stock Options. ISOs and QSOs may only be granted to those who meet the requirements of the U.S. or P.R. Code, respectively. Each Option will be evidenced by an Award Agreement.
- (b) Except in the case of Substitute Awards, Non-qualified Stock Options, QSOs and ISOs granted pursuant to the Plan shall have an exercise price of no less than the Fair Market Value of a share of Common Stock on the date the Option is granted. Except as provided in Section 5(e), the Board shall not have the ability or authority to reprice, reduce the exercise price of outstanding Options or to grant any new Options or other Awards in substitution for or upon the cancellation of Options (including but not limited to cash buyouts) previously granted which shall have the effect of reducing the exercise price of any outstanding Option without the approval of a majority of the Corporation's stockholders.
- (c) Each Option granted pursuant to the Plan shall become exercisable as determined by the Board at the time of grant, provided, however, that at least ninety-five percent (95%) of Options granted pursuant to this Plan shall vest no sooner than one year following date of grant. The Board shall determine the time or times at which an Option may be exercised in whole or in part.
- (d) The term of each Option shall be fixed by the Board but shall not exceed 10 years from the date of grant thereof.
- (e) Pursuant to the provisions of the P.R. Code (Section 1046 of the Puerto Rico Internal Revenue Code of 1994, as amended, with respect to calendar years commencing before January 1, 2011, and Section 1040.08 of the Puerto Rico Internal Revenue Code of 2011, as amended, with respect to calendar years commencing after December 31, 2010) and/or Section 422 of the U.S. Code, the aggregate Fair Market Value of the shares (determined as of the time the Option is granted) with respect to which QSOs and/or ISOs are exercisable for the first time by any optionee during any calendar year (under the Plan and any other plans of the Corporation and its Affiliates) shall not exceed one hundred thousand dollars (\$100,000).
- (f) Payment of the exercise price shall be made in cash or check. However, the Committee may, in its discretion, (i) allow payment, in whole or in part, through the delivery of shares of Common Stock, duly endorsed for transfer to the Corporation with a Fair Market Value on the date of delivery equal to the aggregate exercise price of the Option or exercised portion thereof; (ii) allow payment, in whole or in part, through the surrender of shares of Common Stock then issuable upon exercise of the Option having a Fair Market Value on the date of Option exercise equal to the aggregate exercise price of the Option or exercised portion thereof; (iii) allow payment, in whole or in part, through the delivery of a notice that the Participant has placed a market sell order with a broker with respect to shares of Common Stock then issuable upon exercise of the Option, and the broker timely pays a sufficient portion of the net proceeds of the sale to the Corporation in satisfaction of the Option exercise price; or (iv) allow payment through any combination of the consideration provided in the foregoing subparagraphs (i), (ii), (iii) and (iv); *provided, however*, that the payment in the manner prescribed in the preceding paragraphs shall not be permitted to the extent that the Committee determines that payment in such manner shall result in an extension or maintenance of credit, an arrangement for the extension of credit, or a renewal or an extension of credit in the form of a personal loan to or for any Director or executive officer of the Corporation that is prohibited by Section 13(k) of the Exchange Act or other applicable law.

Section 7

SARs

Edgar Filing: FOX CIARAN - Form 4

- (a) The Board, upon receiving relevant recommendations from the Committee, may grant SARs to Eligible Persons with terms and conditions that are not inconsistent with the provisions of the Plan. Each SAR shall

Table of Contents

be evidenced by an Award Agreement which includes the terms and conditions recommended by the Committee, provided, however, that at least ninety-five percent (95%) of SARs granted pursuant to this Plan shall vest no sooner than one year following date of grant.

- (b) SARs may be granted hereunder to Participants either alone (freestanding) or in addition to other Awards granted under the Plan (tandem) and may, but need not, relate to a specific Option granted under Section 6.
- (c) Any tandem SAR related to an Option may be granted at the same time such Option is granted or at any time thereafter before exercise or expiration of such Option. In the case of any tandem SAR related to any Option, the SAR or applicable portion thereof shall not be exercisable until the related Option or applicable portion thereof is exercisable and shall terminate and no longer be exercisable upon the termination or exercise of the related Option, except that a SAR granted with respect to less than the full number of Shares covered by a related Option shall not be reduced until the exercise or termination of the related Option exceeds the number of Shares not covered by the SAR. Any Option related to any tandem SAR shall no longer be exercisable to the extent the related SAR has been exercised.
- (d) A freestanding SAR shall not have a term of greater than 10 years or, unless it is a Substitute Award, an exercise price less than the Fair Market Value of the Share on the date of grant. Except as provided in Section 5(e), the Board shall not have the ability or authority to reduce the exercise price of outstanding SARs nor to grant any new SARs or other Awards in substitution for or upon the cancellation of SARs previously granted which shall have the effect of repricing, or reducing the exercise price of any outstanding SAR (including but not limited to cash buyouts) without the approval of a majority of the Corporation s stockholders.
- (e) Upon exercise of a SAR, the holder shall be entitled to receive payment, in cash, in shares of Common Stock or in a combination thereof.

Section 8

RESTRICTED STOCK AND RESTRICTED STOCK UNITS

- (a) The Board, upon receiving the relevant recommendations of the Committee, may grant Awards to Eligible Persons of Restricted Stock or Restricted Units. Each Award of Restricted Stock and Restricted Stock Units shall be evidenced by an Award Agreement which shall set forth the conditions, if any, which will need to be satisfied before the grant will be effective and the conditions, if any, under which the Participant s Award will be forfeited or become vested, including Performance Goals, if any, that must be achieved as a condition to vesting.
- (b) Shares of Restricted Stock may not be sold, assigned, transferred, pledged, hypothecated or otherwise encumbered by the Participant during the Restricted Period, except as hereinafter provided.
- (c) Unless otherwise stated, holders of Restricted Stock or Restricted Stock Units shall have the rights to dividends or dividend equivalents, as applicable, during the Restriction Period. Such dividends or dividend equivalents will accrue during the Restriction Period, but not be paid until restrictions lapse.
- (d) In the case of Restricted Stock, the Participant will have the right to vote shares.
- (e) For Restricted Stock and Restricted Stock Unit Awards intended to vest solely on the basis of the passage of time, the Committee shall specify the Restricted Period in the corresponding Award Agreement and the extent to which such Awards vest sooner due to (a) death, Disability or Retirement, (b) job loss due to workforce reduction, job elimination or divestiture or (c) a Change in Control.

Edgar Filing: FOX CIARAN - Form 4

- (f) The Restricted Period shall commence upon the date of the grant by the Board and shall lapse with respect to the shares of Restricted Stock and Restricted Stock Units on such date the vesting period of the Award elapses.

Table of Contents

Section 9

PERFORMANCE SHARES

The Board, upon receiving the relevant recommendations of the Committee, may grant Performance Shares to Eligible Persons. Performance Shares shall represent the right of a Participant to receive shares of Common Stock (or their cash equivalent) at a future date upon the achievement of Performance Goals established by the Committee, during a specified Performance Cycle. Performance Shares may include the right to receive dividend equivalents thereon, payable only upon achievement of the Performance Goals. Each Award of Performance Shares shall be evidenced by an Award Agreement which shall set forth the terms and conditions of the Award.

Section 10

OTHER STOCK-BASED OR CASH-BASED AWARDS

The Board, upon receiving the relevant recommendations of the Committee, may grant Other Stock-Based or Cash-Based Awards to Eligible Persons. An Other Stock-Based Award means any other type of equity-based or equity-related Award not otherwise described by the terms of this Plan (including the grant or offer for sale of unrestricted Shares) in such amount and subject to such terms and conditions as the Administrator shall determine. Such Awards may involve the transfer of actual shares of Common Stock, or payment in cash or otherwise of amounts based on the value of shares of Common Stock. Each Other Stock-Based Award shall be evidenced by an Award Agreement which shall set forth the terms and conditions of the Award. An Other Cash-Based Award means an Award not otherwise described by the terms of this Plan, payable in cash, which may or may not be subject to Section 11 hereof.

Section 11

QUALIFIED PERFORMANCE-BASED AWARDS

- (a) The Board, upon receiving the relevant recommendations of the Committee, may determine whether an Award is to qualify as performance-based compensation (as described in Section 162(m)(4)(C) of the U.S. Code).
- (b) To the extent necessary to comply with the performance-based compensation requirements of Section 162, no later than ninety (90) days following the commencement of any Performance Cycle (or such earlier time as may be required under Section 162(m)), the Committee shall, in writing, (i) designate one or more Covered Employees, (ii) select the Performance Goals applicable to the Performance Cycle (including any applicable adjustments), (iii) establish the various performance targets, in terms of an objective formula or standard, and amounts of such Awards, as applicable, which may be earned for such Performance Cycle, and (iv) specify the relationship between the performance targets and the amounts of such Awards, as applicable, to be earned by each Covered Employee for such Performance Cycle. Following the completion of each Performance Cycle, the Committee shall certify in writing whether the applicable performance targets have been met. In determining the amount earned by a Covered Employee, the Committee shall have the right to reduce (but not to increase) the amount payable at a given level of performance to take into account additional factors that the Committee may deem relevant to the assessment of individual or corporate performance for the Performance Cycle.
- (c) Furthermore, notwithstanding any other provision of the Plan, any Award which is granted to a Covered Employee and is intended to qualify as performance-based compensation shall be subject to any additional limitations set forth in Section 162(m) of the U.S. Code (including any amendment to Section 162(m) or any regulations or rulings issued thereunder) that are requirements for qualification as performance-based compensation, and the Plan shall be deemed amended to the extent necessary to conform to such requirement.

Section 12

TERMINATION OF EMPLOYMENT; CHANGE IN CONTROL

Edgar Filing: FOX CIARAN - Form 4

- (a) In the event of the death of a Participant while in the employ or service of the Corporation, Awards held by such Participant, other than performance-based awards, which have not vested or which have not been

Table of Contents

- exercised, shall vest (irrespective of whether the vesting period has been completed) or may be exercised, as the case may be, by the estate of the Participant or by any person who acquired the right to exercise such Award by bequest or inheritance from such Participant, within one year after the date of such death but not later than the date on which the Award would otherwise expire.
- (b) If the employment or service of a Participant is terminated by reason of Disability, Awards held by such Participant, other than performance-based awards, which have not vested or which have not been exercised, shall vest (irrespective of whether the vesting period has been completed) or may be exercised, as the case may be, within one year after such termination but not later than the date on which such Award would otherwise expire.
- (c) In the event a Participant's employment or service is terminated by the Corporation or any Affiliate for Cause, Awards held by such Participant, other than performance-based awards, which have not vested or which have not been exercised, shall be forfeited and canceled upon such termination and shall not thereafter be exercisable.
- (d) Unless otherwise determined by the Committee, in the event a Participant's employment or service ends as a result of such Participant's resignation from the Corporation or an Affiliate, any Awards held by such Participant, other than performance-based awards, which have not vested or which have not been exercised, shall be forfeited and canceled upon such termination and shall not thereafter be exercisable.
- (e) If the employment or service of the Participant is terminated for any reason other than described in Section 12 (a) through (d), Awards held by such Participant, other than performance-based awards, which have not vested or which have not been exercised, shall vest (irrespective of whether the vesting period has been completed) or may be exercised, as the case may be, at any time prior to the expiration of the term of the Award or the ninetieth (90th) day following the Participant's termination of employment, whichever period is shorter; provided, however, that any Awards held by a Participant whose employment is terminated by reason of Retirement (subject to Sections 6(c) and 7(a)), or who is involuntarily terminated within one year after a Change in Control, other than performance-based awards, shall vest (irrespective of whether the vesting period has been completed) or may be exercised, as the case may be, within four months after the date of such termination but not later than the date on which the Awards would otherwise expire.
- (f) Subject to Sections 6(c) and 7(a) above, based on particular circumstances evaluated by the Committee as they may relate to the termination of a Participant, the Board may, with the recommendation of the Committee, grant the full vesting of any Award held by the Participant upon termination of employment.
- (g) The impact on performance-based Awards of a Change in Control will be covered by the Award Agreement, provided, however, that such Awards shall only vest to the extent relevant performance conditions have been achieved or on a pro-rated basis through the date of the Change in Control. The impact on time-based Awards of a Change in Control will be covered by the Award Agreement, provided, however, that such Awards may only be accelerated to the extent not assumed by a successor entity.

Section 13

AMENDMENT, MODIFICATION, AND TERMINATION OF PLAN

- (a) The Board may, at any time and from time to time amend, modify, suspend, or terminate this Plan, in whole or in part, without notice to or the consent of any Participant or employee; provided, however, that any amendment which would (i) increase the number of shares available for issuance under the Plan, (ii) lower the minimum exercise price at which an Option or SAR may be granted, (iii) change the Award limits as set forth in Section 5(a) or 5(b), or (iv) require stockholder approval under the rules of any exchange where the Common Stock may be traded, shall be subject to the approval of the Corporation's stockholders. No amendment, modification or termination of the Plan shall in any manner adversely affect any Award theretofore granted under the Plan, without the consent of the Participant who holds the Award. (For this purpose, actions that alter the timing of federal income taxation of a Participant will not be deemed material unless such action results in an income tax penalty on the Participant.)

Table of Contents

- (b) No Award may be granted subsequent to May 24, 2026. Absent additional stockholder approval, no Award intended to qualify as performance-based under Section 162(m) of the U.S. Code may be granted under the Plan after May 24, 2021.

Section 14

MISCELLANEOUS

- (a) The Corporation may, to the extent deemed necessary or advisable by the Committee, postpone the issuance or delivery of shares of Common Stock or payment of other benefits under any Award until completion of such registration or qualification of such shares or other required action under any federal or state law, rule or regulation, listing or other required action with respect to any stock exchange or automated quotation system upon which the shares of Common Stock or other securities of the Corporation are listed or quoted, or compliance with any other obligation of the Corporation, as the Committee may consider appropriate, and may require any Participant to make such representations, furnish such information, and comply with or be subject to such other conditions as it may consider appropriate in connection with the issuance or delivery of shares of Common Stock or payment of other benefits in compliance with applicable laws, rules, and regulations, listing requirements, or other obligations.
- (b) No Award or other right or interest of a Participant under the Plan shall be pledged, hypothecated or otherwise encumbered or subject to any lien, obligation or liability of such Participant to any party (other than the Corporation or an Affiliate), or assigned or transferred by such Participant otherwise than by will or the laws of descent and distribution or to a beneficiary upon the death of a Participant, and such Awards or rights that may be exercisable shall be exercised during the lifetime of the Participant only by the Participant or his or her guardian or legal representative.
- (c) The Corporation and any Affiliate is authorized to withhold from any Award granted, any payment relating to an Award under the Plan, including from a distribution of shares of Common Stock, or any payroll or other payment to a Participant, amounts of withholding and other taxes due or potentially payable in connection with any transaction involving an Award, and to take such other action as the Committee may deem advisable to enable the Corporation and Participants to satisfy obligations for the payment of withholding taxes and other tax obligations relating to any Award. This authority shall include authority to withhold or receive shares of Common Stock or other property and to make cash payments in respect thereof in satisfaction of a Participant's withholding obligations, either on a mandatory or elective basis in the discretion of the Committee, or in satisfaction of other tax obligations if such withholding will not result in additional accounting expense to the Corporation. Other provisions of the Plan notwithstanding, only the minimum amount of shares of Common Stock deliverable in connection with an Award necessary to satisfy statutory withholding requirements will be withheld, unless withholding of any additional amount of shares of Common Stock will not result in additional accounting expense to the Corporation.
- (d) No election under Section 83(b) of the U.S. Code (to include in gross income in the year of transfer the amounts specified in U.S. Code Section 83(b)) or under a similar provision of the laws of a jurisdiction outside the United States may be made unless expressly permitted by the terms of the Award document or by action of the Committee in writing prior to the making of such election. In any case in which a Participant is permitted to make such an election in connection with an Award, the Participant shall notify the Corporation of such election within ten days of filing notice of the election with the Internal Revenue Service or other governmental authority, in addition to any filing and notification required pursuant to regulations issued under Section 83(b) or other applicable provision.
- (e) If any Participant shall make any disposition of shares of Common Stock delivered pursuant to the exercise of an ISO under the circumstances described in Code Section 421(b) (relating to certain disqualifying dispositions), such Participant shall notify the Corporation of such disposition within ten days thereof.
- (f) The Corporation or any Affiliate may, to the extent permitted by applicable law, deduct from and set off against any amounts the Corporation or an Affiliate may owe to the Participant from time to time, including amounts payable in connection with any Award, owed as wages, fringe benefits, or other compensation

Table of Contents

owed to the Participant, such amounts as may be owed by the Participant to the Corporation, including but not limited to amounts owed under Section (c) above, although the Participant shall remain liable for any part of the Participant's payment obligation not satisfied through such deduction and setoff. By accepting any Award granted hereunder, the Participant agrees to any such deduction or setoff.

- (g) The Plan is intended to constitute an unfunded plan for incentive and deferred compensation. With respect to any payments not yet made to a Participant or obligation to deliver shares of Common Stock pursuant to an Award, nothing contained in the Plan or any Award shall give any such Participant any rights that are greater than those of a general creditor of the Corporation; provided that, the Committee may authorize the creation of trusts and deposit therein cash, shares of Common Stock, other Awards or other property, or make other arrangements to meet the Corporation's obligations under the Plan. Such trusts or other arrangements shall be consistent with the unfunded status of the Plan unless the Committee otherwise determines with the consent of each affected Participant.
- (h) Neither the adoption of the Plan by the Board nor its submission to the stockholders of the Corporation for approval shall be construed as creating any limitations on the power of the Board or a committee thereof to adopt such other incentive arrangements, apart from the Plan, as it may deem desirable, including incentive arrangements and awards which do not qualify under Section 162(m) of the U.S. Code, and such other arrangements may be either applicable generally or only in specific cases.
- (i) No fractional shares of Common Stock shall be issued or delivered pursuant to the Plan or any Award. The Committee shall determine whether cash, other Awards or other property shall be issued or paid in lieu of such fractional shares or whether such fractional shares or any rights thereto shall be forfeited or otherwise eliminated.
- (j) It is the intent of the Corporation that Options and SARs granted to Covered Employees and other designated Awards shall constitute qualified performance-based compensation within the meaning of Section 162(m) of the U.S. Code and regulations thereunder, unless otherwise determined by the Committee at the time of allocation of an Award. If any provision of the Plan or any Award document relating to an Award that is designated as intended to comply with Section 162(m) does not comply or is inconsistent with the requirements of Section 162(m) or regulations thereunder, such provision shall be construed or deemed amended to the extent necessary to conform to such requirements, and no provision shall be deemed to confer upon the Committee or any other person discretion to increase the amount of compensation otherwise payable in connection with any such Award upon attainment of the applicable performance objectives.
- (k) Other provisions of the Plan notwithstanding, to the extent applicable, the terms of any Award, including any authority of the Corporation and rights of the Participant with respect to the Award, shall be limited to those terms permitted under Section 409A, and any terms not permitted under Section 409A shall be automatically modified and limited to the extent necessary to conform with Section 409A. For this purpose, other provisions of the Plan notwithstanding, the Corporation shall have no authority to accelerate distributions relating to Awards subject to Section 409A in excess of the authority permitted under Section 409A, and any distribution subject to Section 409A(a)(2)(A)(i) (separation from service) to a key employee as defined under Section 409A(a)(2)(B)(i), shall not occur earlier than the earliest time permitted under Section 409A(a)(2)(B)(i).
- (l) The validity, construction, and effect of the Plan, any rules and regulations relating to the Plan and any Award Agreement shall be determined in accordance with the laws of the Commonwealth of Puerto Rico, without giving effect to principles of conflicts of laws, and applicable provisions of federal law.
- (m) Neither the Plan nor any action taken hereunder shall be construed as (i) giving any Eligible Person or Participant the right to continue as an Eligible Person or Participant or in the employ or service of the Corporation or an Affiliate, (ii) interfering in any way with the right of the Corporation or an Affiliate to terminate any Eligible Person's or Participant's employment or service at any time, (iii) giving an Eligible Person or Participant any claim to be granted any Award under the Plan or to be treated uniformly with other Participants and employees, or (iv) conferring on a Participant any of the rights of a stockholder of the

Table of Contents

Corporation unless and until the Participant is duly issued or transferred shares of Common Stock in accordance with the terms of an Award. Except as expressly provided in the Plan and an Award Agreement, neither the Plan nor any Award Agreement shall confer on any person other than the Corporation and the Participant any rights or remedies thereunder.

- (n) If any of the provisions of this Plan or any Award Agreement is finally held to be invalid, illegal or unenforceable (whether in whole or in part), such provision shall be deemed modified to the extent, but only to the extent, of such invalidity, illegality or unenforceability, and the remaining provisions shall not be affected thereby; provided, that, if any of such provisions is finally held to be invalid, illegal, or unenforceable because it exceeds the maximum scope determined to be acceptable to permit such provision to be enforceable, such provision shall be deemed to be modified to the minimum extent necessary to modify such scope in order to make such provision enforceable hereunder. The Plan and any Award Agreements contain the entire agreement of the parties with respect to the subject matter thereof and supersede all prior agreements, promises, covenants, arrangements, communications, representations and warranties between them, whether written or oral with respect to the subject matter thereof.

- (o) This Plan and any Awards made hereunder shall be subject to final regulations under Section 954 of the Dodd-Frank Act providing for recoupment of certain incentive awards in the event of a Company restatement.

Amended May 24, 2016

Table of Contents

VOTE BY INTERNET - www.proxyvote.com

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time on May 23, 2016. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

First BanCorp

ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS

ATTN: SARA ALVAREZ

If you would like to reduce the costs incurred by our company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards

1519 PONCE DE LEON AVE., STOP 23
P.O. BOX 9146 SANTURCE, PR 00908-0146

and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 P.M. Eastern Time on May 23, 2016. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

KEEP THIS PORTION FOR YOUR RECORDS

DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

The Board of Directors recommends that you vote

FOR each nominee listed in Proposal 1:

1. Election of Directors Nominees For Against Abstain 1A Aurelio Alemàn

The Board of Directors recommends you vote FOR proposals 2, 3 and 4. For Against Abstain

1B Juan Acosta-Reboyras 2 To (a) approve the First BanCorp Omnibus Incentive Plan (the "Plan"), as amended to, among other things, increase the number of 1C Luz A. Crespo shares of common stock, par value \$1.00 per share, available for issuance under the Plan and extend the Plan's termination date; and (b) 1D Robert T. Gormley reapprove the performance goals under the Plan;

1E Thomas M. Hagerty 3 To approve on a non-binding basis the 2015 compensation of First BanCorp's named executive officers; 1F Michael P. Harmon 1G Roberto R. Herencia 4 To ratify the appointment of KPMG LLP as our independent registered public accounting firm

for our 2016 fiscal year. 1H David I. Matson 1I José Menéndez-Cortada NOTE: In their discretion, the proxies are authorized to vote on any other business that may properly come before the meeting.

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary,

please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

Signature [PLEASE SIGN WITHIN BOX]

Date

Signature (Joint Owners)

Date

0000285865_1 R1.0.1.25

Table of Contents

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting: The Notice & Proxy Statement, Annual Report is/ are available at www.proxyvote.com

First BanCorp

Annual Meeting of Stockholders

May 24, 2016

This proxy is solicited by the Board of Directors

The stockholder(s) hereby appoint(s) Roberto R. Herencia, Aurelio Alemán and José Menéndez-Cortada, or any of them, as proxies, each

with the power to appoint his substitute, and hereby authorizes them to represent and to vote, as designated on the reverse side of this ballot,

all of the shares of common stock of First BanCorp that the stockholder(s) is/are entitled to vote at the Annual Meeting of Stockholders to be

held at 4:00 PM, local time, on May 24, 2016, at the Corporation's principal offices located at 1519 Ponce de Leon Avenue, Santurce, Puerto

Rico 00908, and any adjournment or postponement thereof (the "2016 Annual Meeting"). The Stockholder(s)

acknowledges(s) receipt of the

Notice of the 2016 Annual and proxy statement.

This proxy, when properly executed, will be voted in the manner directed herein. If no such direction is made, this proxy will be

voted in accordance with the Board of Directors' recommendations. This proxy will revoke any previously executed proxy with

respect to the 2016 Annual Meeting. In their discretion the proxies are authorized to vote upon such other business as may

properly come before the meeting.

Continued and to be signed on reverse side

0000285865_2 R1.0.1.25