

FIRST BANCORP /PR/
Form DEF 14A
April 05, 2019
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

SCHEDULE 14A

SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934**

- Filed by the Registrant
- Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Section 240.14a-12

FIRST BANCORP.

(Name of Registrant as Specified In Its Charter)

Not Applicable

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of Filing Fee (*Check the appropriate box:*)

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- 1) Title of each class of securities to which transaction applies:
- 2) Aggregate number of securities to which transaction applies:
- 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):
- 4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule, and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

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**1519 PONCE DE LEON AVENUE
SAN JUAN, PUERTO RICO 00908
(787) 729-8200**

**NOTICE OF
2019 ANNUAL MEETING
OF STOCKHOLDERS**

To the Stockholders of First BanCorp.:

NOTICE IS HEREBY GIVEN that, pursuant to a resolution of the Board of Directors and Article I, Section 2 of First BanCorp.'s By-laws, the 2019 Annual Meeting of Stockholders (Annual Meeting) of First BanCorp. (the Corporation) will be held at 10:00 a.m., local time, on Thursday, May 16, 2019, at the Corporation's principal offices located at 1519 Ponce de Leon Avenue, Santurce, Puerto Rico, for the purpose of considering and taking action on the following matters, all of which are more completely described in the accompanying Proxy Statement:

- 1. To elect the nine (9) directors named in the accompanying proxy statement;**
- 2. To approve on a non-binding basis the 2018 compensation of First BanCorp's named executive officers (NEOs); and**
- 3. To ratify the appointment of Crowe LLP as our independent registered public accounting firm for our 2019 fiscal year.**

In addition, we will consider and take action on such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof. The Board of Directors has no knowledge of any other business to be transacted at the Annual Meeting.

Only stockholders of record as of the close of business on March 27, 2019 are entitled to receive notice of and to vote at the Annual Meeting. A list of such stockholders will be available at our principal offices, at the address set forth above, for the examination by any stockholder for any purpose germane to the meeting during ordinary business hours, for a period of ten days prior to the Annual Meeting.

We continue to use the Internet as our primary means of furnishing proxy materials to most of our stockholders, in accordance with U.S. Securities and Exchange Commission rules. Rather than sending stockholders a paper copy of our proxy materials, we are sending them a Notice of Internet Availability of Proxy Materials that contains instructions for accessing the materials and voting via the Internet. We believe this method of distribution makes the proxy distribution process more efficient, less costly and reduces our impact on the environment. This Proxy Statement and our 2018 Annual Report are available at www.1firstbank.com and <https://materials.proxyvote.com/318672>. Stockholders may request a copy of the proxy materials in printed form by following the procedures set forth in the Notice of Internet Availability of Proxy Materials.

You are cordially invited to attend the Annual Meeting. It is important that your shares be represented regardless of the number you own. Even if you plan to be present at the Annual Meeting, we urge you to vote as soon as possible in order to ensure the presence of a quorum at the meeting. You may vote via the Internet, by telephone or, if you received a paper proxy card in the mail, by mailing the completed proxy card. The instructions on the Notice of Internet Availability of Proxy Materials and on your proxy card describe how to use these convenient services. You may revoke any proxy that you give at any time prior to its exercise.

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By Order of the Board of Directors,

/s/ Lawrence Odell

Lawrence Odell

Secretary

San Juan, Puerto Rico
April 5, 2019

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**1519 PONCE DE LEON AVENUE
SAN JUAN, PUERTO RICO 00908**

**2019 ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 16, 2019**

This Proxy Statement is furnished in connection with the solicitation of proxies on behalf of the Board of Directors (the Board) of First BanCorp. (the Corporation) for use at the 2019 Annual Meeting of Stockholders to be held at 10:00 a.m., local time, on Thursday, May 16, 2019, at the Corporation's principal offices located at 1519 Ponce de Leon Avenue, Santurce, Puerto Rico, and at any adjournment or postponement thereof (the Annual Meeting). This Proxy Statement, the Notice of 2019 Annual Meeting of Stockholders and the enclosed form of proxy are first being sent or provided on or about April 5, 2019 to stockholders of record as of March 27, 2019 (the Record Date). We have made available with this Proxy Statement the Annual Report on Form 10-K for the fiscal year ended December 31, 2018 (the Annual Report), although the Annual Report should not be deemed to be part of this Proxy Statement. The Board has designated the individuals identified on the proxy card (the proxy holders) to serve as proxies to vote the shares represented at the Annual Meeting. Shares represented by properly executed proxies that we receive will be voted at the Annual Meeting in accordance with the instructions specified in the proxies. If you properly submit a proxy but do not give instructions on how you want your shares to be voted, your shares will be voted by the proxy holders in accordance with the Board's recommendations described below. (We, our, us and the Corporation refer First BanCorp.)

QUESTIONS AND ANSWERS ABOUT THE MEETING

What information is contained in this Proxy Statement?

The information in this Proxy Statement relates to the proposals to be voted on at the Annual Meeting, the voting process, the Board, the Board committees, the compensation of directors and executive officers, and other required information.

What is the purpose of the Annual Meeting?

At the Annual Meeting, stockholders will act upon the following matters, which are identified in the accompanying Notice of Annual Meeting of Stockholders:

- the election of nine (9) directors, each for a term expiring at the 2020 Annual Meeting of Stockholders;
- the approval on a non-binding basis of the 2018 compensation of the Corporation's NEOs, who are identified below; and
- the ratification of the appointment of Crowe LLP (Crowe) as our independent registered public accounting firm for our 2019 fiscal year.

What should I receive?

You should receive this Proxy Statement, the Notice of Annual Meeting of Stockholders, the proxy card and the Annual Report with the audited financial statements for the year ended December 31, 2018, audited by Crowe.

How many votes do I have?

You will have one vote for every share of the Corporation's common stock, par value \$0.10 per share (Common Stock), you owned as of the close of business on March 27, 2019, the Record Date.

If I am a holder of shares of Common Stock, but I did not hold my shares of Common Stock as of the Record Date, am I entitled to vote?

No. If you were not a record or beneficial holder of shares of Common Stock as of the Record Date, you will not be entitled to vote on the proposals.

How many shares of stock are outstanding?

On the Record Date, 217,331,577 shares of Common Stock were issued and outstanding.

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2019 Annual Meeting of Stockholders to be Held on May 16, 2019 | Questions and Answers about the Meeting

How many votes must be present to hold the Meeting?

Holders of a majority of the outstanding shares of Common Stock must be present either in person or by proxy to enable us to conduct business at the Annual Meeting. Proxies received but marked as abstentions will be included in the calculation of the number of shares considered to be present at the Annual Meeting for purposes of determining whether holders of a majority of the outstanding shares of Common Stock are present. Broker non-votes will not be counted. A broker non-vote occurs when a broker, bank, trustee or other nominee has not received voting instructions from the beneficial owner and the broker, bank, trustee or other nominee does not have discretionary authority to vote on a particular matter. **We urge you to vote by proxy even if you plan to attend the Annual Meeting so that we will know as soon as possible that enough votes will be present for us to conduct business at the Annual Meeting.**

Votes cast by proxy or in person at the Annual Meeting will be counted by Broadridge Financial Solutions, an independent third party.

What vote is required and how are abstentions and broker non-votes treated?

To be elected, directors must receive the affirmative vote of a majority of the shares represented in person or by proxy at the Annual Meeting and entitled to vote on the election of directors. Abstentions will have the same effect as votes cast AGAINST and broker non-votes will not be counted as either a vote cast for or a vote cast against the nominee and, therefore, will have no effect on the results for the election of directors.

As to approval of the advisory vote related to executive compensation and the ratification of the independent registered public accounting firm, the affirmative vote of a majority of the shares represented in person or by proxy and entitled to vote will be required for approval. Abstentions will have the same effect as votes cast AGAINST the proposals. Broker non-votes will not be counted in determining the number of shares necessary for approval of either proposal. Accordingly, broker non-votes will have no effect on the results for the approval of the advisory vote related to executive compensation or the ratification of the independent registered public account firm. If you are not the stockholder of record of your shares, your bank or broker that is the record holder of your shares may not vote the shares without your instruction on matters considered to be non-routine. The only proposal to be voted on at the 2019 Annual Meeting that is considered a routine proposal is the ratification of the independent registered public accounting firm. Therefore, your bank or broker may vote you shares without your instruction with respect to the ratification of the independent registered public account firm unless you instruct your broker otherwise.

On which proposals can my broker vote my shares?

Brokers do not have discretionary authority to vote shares on the election of directors and on the non-binding approval of compensation of the Corporation's NEOs. You must instruct your broker how to vote your shares so that your vote can be counted. Brokers have discretionary authority to vote shares on the ratification of the independent registered public accounting firm.

How does the Board recommend that I vote?

The following are the Board's recommendations with respect to each of the items to be considered and voted upon at the Annual Meeting:

- **Proposal No. 1 — The Board recommends a vote FOR each nominee to the Board;**

- **Proposal No. 2 — The Board recommends a vote FOR the non-binding advisory approval of the 2018 compensation of the Corporation’s NEOs; and**
- **Proposal No. 3 — The Board recommends a vote FOR the ratification of the Corporation’s independent registered public accounting firm for the 2019 fiscal year.**

How do I vote?

If you are a *stockholder of record* on the Record Date, you may vote by proxy without attending the Annual Meeting by:

- voting via the Internet (instructions are on the Notice of Internet Availability of Proxy Materials or the proxy card);
- voting by telephone (instructions are on the proxy card); or
- voting by mail if you receive or request paper copies of the proxy materials by completing the enclosed proxy card, signing, dating, and returning it in the enclosed postage-paid envelope.

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2019 Annual Meeting of Stockholders to be Held on May 16, 2019 | Questions and Answers about the Meeting

Internet and telephone voting is available until 11:59 p.m. Eastern Time on May 15, 2019. Please refer to the specific instructions set forth on the Notice of Internet Availability of Proxy Materials or the proxy card for additional information on how to vote. For security reasons, our electronic voting system has been designed to authenticate your identity as a stockholder.

If you hold your shares in *street name* (i.e., your shares are held of record by a broker, bank, trustee or other nominee), your broker, bank, trustee or other nominee will provide you with materials and instructions for voting your shares, including a voting instruction form.

Can I vote my shares in person at the Annual Meeting?

If you are a *stockholder of record* on the Record Date, you may vote your shares in person at the Annual Meeting. **If you hold your shares in *street name*, you must obtain a valid, legal proxy from your broker, banker, trustee or other nominee, giving you the right to vote your shares at the Annual Meeting.**

What is the difference between holding shares as a stockholder of record and as a beneficial owner?

Stockholder of Record. If your shares are registered in your name with our transfer agent, Computershare, you are considered the stockholder of record with respect to those shares, and these proxy materials are being provided directly to you. As a stockholder of record, you may vote in person at the Annual Meeting or vote by proxy. Whether or not you plan to attend the Annual Meeting, we urge you to vote via the Internet, by telephone, or by completing, signing, dating and returning the enclosed proxy card.

Beneficial Owner. If your shares are held by a broker, bank, trustee or other nominee, you are considered the beneficial owner of shares held in *street name*, and these proxy materials are being forwarded to you by your broker, bank, trustee or other nominee, who is considered the stockholder of record with respect to those shares. As a beneficial owner, you have the right to instruct your broker, bank, trustee or other nominee on how to vote the shares held in your account, and the broker, bank, trustee or other nominee who holds your shares will inform you how to instruct it to vote your shares. The organization that holds your shares, however, is considered the stockholder of record for purposes of voting at the Annual Meeting. **As noted above, if you are not the stockholder of record, you may not vote your shares in person at the Annual Meeting unless you request and obtain a valid, legal proxy from your broker, bank, trustee or other nominee giving you the right to vote your shares at the Annual Meeting.** The organization that holds your shares cannot vote your shares without your instructions on Proposals No. 1 and No. 2, so it is important that you instruct your nominee how to vote your shares.

Who will bear the costs of soliciting proxies for the Annual Meeting?

We will bear the cost of soliciting proxies for the Annual Meeting. In addition to solicitation by mail, proxies may be solicited personally, by telephone or otherwise. Our directors, officers and employees may also solicit proxies but will not receive any additional compensation for their services. Proxies and proxy materials will also be distributed at our expense by brokers, nominees, custodians and other similar parties.

Can I change my vote?

Yes. If you are a stockholder of record, you may revoke your proxy at any time before it is exercised by sending in a new proxy card with a later date, or casting a new vote over the Internet or by telephone, or sending a written notice of revocation to the President or Corporate Secretary at First BanCorp., at P.O. Box 9146, San Juan, Puerto Rico

00908-0146. To be effective, any revocation must be delivered to the Corporation before the proxy is exercised. Internet and telephone voting is available until 11:59 p.m. Eastern Time on May 15, 2019. If you attend the Annual Meeting and vote in person, your previously submitted proxy will not be used.

If your shares are held in the name of a broker, bank, trustee or other nominee, that institution will instruct you as to how your vote may be changed.

What should I do if I receive more than one set of voting materials?

You may receive more than one set of voting materials, including multiple Notices of Internet Availability of Proxy Materials or multiple copies of this Proxy Statement and multiple proxy cards. For example, if you hold your shares in more than one brokerage account, you may receive a voting instruction form for each brokerage account in which you hold shares. You should exercise your vote in connection with each set of voting materials you receive as they represent different shares.

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2019 Annual Meeting of Stockholders to be Held on May 16, 2019 | Questions and Answers about the Meeting

Could other matters be decided at the Annual Meeting?

The Board does not intend to present any business at the Annual Meeting other than that which is described in the Notice of Annual Meeting of Stockholders. The Board at this time knows of no other matters that may come before the Annual Meeting and the Chairman of the Annual Meeting will declare out of order and disregard any matter not properly presented. However, if any new matter or stockholder proposal requiring the vote of the stockholders is properly presented before the Annual Meeting, proxies may be voted with respect thereto in accordance with the best judgment of the proxy holders, under the discretionary authority granted by stockholders in their proxies in connection with general matters, subject to compliance with Rule 14a-4© under the Securities Exchange Act of 1934, as amended (the Exchange Act).

What happens to my vote if the Annual Meeting is postponed or adjourned?

Your proxy will still be valid and may be voted at the postponed or adjourned meeting. You will still be able to change or revoke your proxy until it is exercised.

Who can help answer my questions?

You should contact Lawrence Odell, Secretary of the Board, by e-mail at lawrence.odell@firstbankpr.com or by telephone at 787-729-8041, if you have any questions about how to vote or need copies of our public filings submitted to the U.S. Securities and Exchange Commission (SEC).

TABLE OF CONTENTS**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON MAY 16, 2019**

You will help the Corporation protect the environment and save postage and printing expenses in future years by consenting to receive the annual report and proxy materials via the Internet. This Proxy Statement and the Annual Report are available at <https://materials.proxyvote.com/318672>. You may obtain directions regarding how to attend the Annual Meeting and vote in person by contacting Lawrence Odell, Secretary of the Board, by e-mail at lawrence.odell@firstbankpr.com or by telephone at 787-729-8041.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following tables set forth certain information as of March 27, 2019, unless otherwise specified, with respect to shares of our Common Stock beneficially owned by: (1) each person known to us to be the beneficial owner of more than 5% of our Common Stock; (2) each director, each director nominee and each executive officer named in the Summary Compensation Table in this Proxy Statement (the NEOs); and (3) all current directors and executive officers as a group. This information has been provided by each of the directors and executive officers at our request or derived from statements filed with the SEC pursuant to Section 13(d), 13(g), or 16(a) of the Exchange Act. Beneficial ownership of securities means the possession, directly or indirectly, through any formal or informal arrangement, either individually or in a group, of voting power (which includes the power to vote, or to direct the voting of, such security) and/or investment power (which includes the power to dispose of, or to direct the disposition of, such security). As of March 27, 2019, no officer or director, and, to the Corporation's knowledge, no beneficial owner of more than 5% of the shares of Common Stock owns any of the Corporation's outstanding preferred stock. Unless otherwise indicated, to the Corporation's knowledge, the identified beneficial owner has sole voting and dispositive power over the shares.

(1) Beneficial Owners of More Than 5% of our Common Stock:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class(a)
BlackRock, Inc. 55 East 52 nd Street New York, NY 10055	31,613,378 (b)	14.5 %
The Vanguard Group. 100 Vanguard Blvd. Malvern, PA 19355	23,855,903 (c)	11.0 %
Dimensional Fund Advisors LP Building One 6300 Bee Cave Road Austin, Texas, 78746	18,362,274 (d)	8.4 %
Frontier Capital Management Co., LLC. 99 Summer Street Boston, MA 02110	11,282,603 (e)	5.2 %

(a) Based on 217,331,577 shares of Common Stock outstanding as of March 27, 2019.

(b) Based solely on a Schedule 13G filed with the SEC on January 28, 2019 in which BlackRock, Inc. reported aggregate beneficial ownership of 31,613,378 shares of Common Stock as of December 31, 2018. BlackRock, Inc. reported that it possessed sole power to dispose or direct the disposition of 31,613,378 shares of Common Stock. BlackRock, Inc. reported that it possessed sole power to vote or direct the vote of 31,007,279 shares of

Common Stock beneficially owned.

- (c) Based solely on a Schedule 13G filed with the SEC on February 11, 2019 in which The Vanguard Group reported aggregate beneficial ownership of 23,855,903 shares of Common Stock as of December 31, 2018. The Vanguard Group reported that it possessed sole power to dispose or direct the disposition of 23,604,932 shares of Common Stock and shared power to dispose or direct the disposition of 250,971 shares of Common Stock. The Vanguard Group reported that it possessed sole power to vote or direct the vote of 211,174 shares of Common Stock and shared power to vote or direct the vote of 61,769 shares of Common Stock beneficially owned.

Proxy Statement for the 2019 Annual Meeting of Shareholders | **First BanCorp.** 5

TABLE OF CONTENTS**Security Ownership of Certain Beneficial Owners and Management** | Beneficial Owners of More Than 5% of our Common Stock

Based solely on a Schedule 13G filed with the SEC on February 8, 2019 in which Dimensional Fund Advisors LLP reported aggregate beneficial ownership of 18,362,274 shares of Common Stock as of December 31, 2018.

- (d) Dimensional Fund Advisors LLP reported that it possessed sole power to dispose or direct the disposition of 18,362,274 shares of Common Stock. Dimensional Fund Advisors LLP reported that it possessed sole power to vote or direct the vote of 17,714,355 shares of Common Stock beneficially owned.

Based solely on a Schedule 13G filed with the SEC on February 11, 2019 in which Frontier Capital Management Co., LLC. Reported aggregate beneficial ownership of 11,282,603 shares of Common Stock as of December 31,

- (e) 20118. Frontier Capital Management Co., LLC reported that it possessed sole power to dispose or direct the disposition of 11,282,603 shares of Common Stock. Frontier Capital Management Co., LLC reported that it possessed sole power to vote or to direct the vote of 5,394,699 shares of Common Stock beneficially owned.

(2) Beneficial Ownership of Directors, Director Nominees and Executive Officers:

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership (a)	Percent of Class
Directors and Director Nominees		
Juan Acosta Reboyras	55,223	*
Aurelio Alemán, President & Chief Executive Officer	989,456	*
Luz A. Crespo	51,196	*
Tracey Dedrick	3,745	*
Daniel E. Frye	6,640	*
Robert T. Gormley	77,079	*
John A. Heffern	42,846	*
Roberto R. Herencia, Chairman of the Board	786,722	*
David I. Matson	34,023	*
José Menéndez-Cortada	94,444	*
Named Executive Officers		
Orlando Berges, Executive Vice President & Chief Financial Officer	372,159	*
Calixto García-Velez, Executive Vice President	272,909	*
Donald Kafka, Executive Vice President	181,152	*
Nayda Rivera, Executive Vice President	253,626	*
All current directors, Executive Officers and the Chief Accounting Officer as a group (21 persons as a group)	4,509,567	2.1 %

* Less than 1% of our outstanding Common Stock as of the Record Date.

- (a) For purposes of this table, beneficial ownership is determined in accordance with Rule 13d-3 under the Exchange Act, pursuant to which a person or group of persons is deemed to have beneficial ownership of a security if that person has the right to acquire beneficial ownership of such security within 60 days. Also, it includes shares granted under the First BanCorp Omnibus Incentive Plan, as Amended (the Omnibus Incentive Plan), subject to forfeiture upon failure to meet vesting conditions, as follows: Mr. Juan Acosta Reboyras, 10,500; Mr. Alemán, 120,043; Mrs. Crespo, 9,793; Ms. Dedrick, 3,745; Mr. Frye, 4,640; Mr. Gormley, 10,664; Mr. Heffern, 4,640; Mr. Herencia, 38,991; Mr. Matson, 10,664; Mr. Menéndez-Cortada, 10,664; Mr. Berges, 27,901; Mr.

García-Velez, 20,224; Mr. Kafka, 28,007; and Mrs. Rivera, 30,810 and all current directors, executive officers and Chief Accounting Officer as a group 453,111. These amounts do not include shares of Common Stock represented by units in a unitized stock fund under our Defined Contribution Plan.

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INFORMATION WITH RESPECT TO NOMINEES STANDING FOR ELECTION AS DIRECTORS AND WITH RESPECT TO EXECUTIVE OFFICERS OF THE CORPORATION

PROPOSAL NO. 1—ELECTION OF DIRECTORS

During fiscal year 2018 and through the date of the filing of this Proxy Statement, the composition of our Board changed in the following respects:

- effective August 29, 2018, current director Daniel E. Frye became a director of the Corporation and FirstBank Puerto Rico (FirstBank or the Bank); and
- effective January 24, 2019, current director Tracey Dedrick became a director of the Corporation.

At the Annual Meeting, stockholders are being asked to vote on the election of nine members to the Board to serve until the 2020 Annual Meeting or until their respective successors are duly elected and qualified. The Board, upon the recommendation of the Corporate Governance and Nominating Committee, has nominated the nine people listed below for election at the Annual Meeting.

Each of the nominees for director has agreed to be named in the proxy statement and to serve as a director if elected. Each nominee is currently serving as a director of the Corporation.

Our By-laws provide that the Board will consist of a number of members fixed from time to time by resolution of a majority of the Board, provided that the number of directors is always an odd number and not less than five nor more than fifteen. In accordance with our Restated Articles of Incorporation and By-laws, director nominees stand for election annually. A director is elected by the stockholders for a one-year term and serves until his or her successor is duly elected and qualified. If stockholders do not elect a nominee who is serving as a director, Puerto Rico corporation law provides that the director would continue to serve on the Board as a holdover director. Under our By-laws, an incumbent director who is not elected by a majority of the votes present in person or by proxy and entitled to vote must tender his or her resignation to the Board promptly following certification of the stockholder vote. The Board must act on the tendered resignation within 90 days following certification of the stockholder vote and must elect a new director by the affirmative vote of a majority of the Board to fill the vacancy until the next election of directors by stockholders.

Our Corporate Governance Guidelines and Principles includes a retirement policy for members of the Board that states that no director may stand for election to the Board after age 70 absent a waiver of this requirement by the Board. Pursuant to our Corporate Governance Guidelines and Principles, the Board of Directors waived the retirement requirement with respect to Robert T. Gormley and José Menéndez-Cortada.

On March 20, 2019, Mr. David I. Matson informed the Board that he will not stand for re-election to the Board upon the completion of his current term as a director at the Annual Meeting. Mr. Matson has served as a director of the Corporation since September 2013. His decision to not stand for re-election did not result from any disagreement with the Corporation or any matter relating to the Corporation's operations, policies or practices. On March 21, 2019, the Board nominated current Directors Juan Acosta Reboyras, Aurelio Alemán, Luz A. Crespo, Tracey Dedrick, Daniel E. Frye, Robert T. Gormley, John A. Heffern, Roberto R. Herencia, and José Menéndez-Cortada to serve terms ending at the 2020 Annual Meeting of Stockholders, and when their respective successors have been duly elected and qualified. Unless otherwise directed, each proxy executed and returned by a stockholder will be voted FOR the election of these nominees. If any nominee should be unable to serve or for good cause will not serve, the designated proxies will vote each executed and returned proxy for the substitute nominee or nominees as the Board may propose. At this time, the Board knows of no reason why any of the persons identified above may not be able to serve as a director if elected and has not identified any substitute nominees.

Except for Mr. Gormley and Ms. Dedrick, all of the members of the Board are also the members of the Board of Directors of FirstBank. The information presented below regarding the time of service on the Board includes terms concurrently served on the Board of Directors of the Bank as applicable.

DIRECTOR QUALIFICATIONS

Each director nominee has the qualifications and experience to focus on the complex issues confronting us and the financial industry. The nominees are leaders in business, finance, accounting or academia because of their intellectual acumen and analytic skills, strategic vision, ability to lead and inspire others to work with them, and records of outstanding accomplishments. Each has been chosen to stand for election in part because he or she asks difficult questions, understands our unique challenges and evaluates the strategies proposed by management and, when applicable, oversees their implementation.

Our nominees collectively have a long record of professional integrity and dedication to their professions and community, a strong work ethic that includes coming fully prepared to meetings and fulfilling professional obligations, enhancing the productivity of the Board, and sharing with the Corporation their experiences as directors of other companies.

Proxy Statement for the 2019 Annual Meeting of Shareholders | **First BanCorp.** 7

TABLE OF CONTENTS**Proposal No.1—Election of Directors | Director Qualifications**

In evaluating the composition of the Board, the Corporate Governance and Nominating Committee seeks to find and retain individuals who, in addition to having the qualifications set forth in our Corporate Governance Guidelines and Principles, have the skills, experience and abilities necessary to oversee our operations in the corporate and consumer businesses within Puerto Rico, the United States, and the United States and British Virgin Islands. This Committee has determined that it is critically important to our proper operation and success that, through its members, our Board has expertise and experience in the following areas:

- Leadership:** Experience in significant leadership positions over an extended period, especially chief executive officer (CEO) positions. Directors with that experience generally provide the Corporation with special insights and possess extraordinary leadership qualities and the ability to identify and develop those qualities in others. They demonstrate a practical understanding of organizations, processes, strategy, risk management and the methods to drive change and growth. Through their service as top leaders at other organizations, they also have access to important sources of market intelligence, analysis and relationships that benefit the Corporation.
- Financial Services Industry:** Experience in the financial services industry. Directors with that experience provide insight with respect to the Corporation’s diversified banking businesses, which provide a broad range of financial services to consumer and corporate customers.
- Risk Management:** Risk expertise to assist the Corporation in ensuring that it is properly identifying, measuring, monitoring, reporting, analyzing and controlling or mitigating risk. Risk management is a critical function of a financial services company, and its proper supervision requires directors with sophisticated risk management skills and experience. Directors provide oversight of the Corporation’s risk management framework, including the significant policies, procedures and practices used in managing credit, market and certain other risks, and review recommendations by management regarding risk mitigation.
- Regulatory Compliance:** Experience serving at, or interacting with, regulators, or operating businesses subject to extensive regulation, in order to ensure our continued compliance with the many applicable regulatory requirements and ensure ongoing effective relationships with our regulators. The Corporation and its subsidiaries are regulated and supervised by numerous regulatory agencies, both domestically and federally, including the Federal Reserve Board (the Fed), the Federal Deposit Insurance Corporation (the FDIC), and the Office of the Commissioner of Financial Institutions of the Commonwealth of Puerto Rico (the OCIF) and other local banking and insurance authorities (collectively the Regulators).
- Consumer Business:** Extensive consumer experience to assist the Corporation in evaluating its business model and strategies for reaching and servicing its retail customers. The Corporation provides services to retail customers in connection with its retail banking, consumer finance, real estate lending, personal loans, auto loans, small and middle market commercial banking and other financial services businesses.
- Corporate Business:** A depth of understanding of and experience with complex business structures and transactions. Directors with that experience enhance the Corporation’s provision of a variety of services to its corporate clients, including financial restructurings, loans and cash management.
- Financial Reporting:** Direct or supervisory experience in the preparation of financial statements, as well as finance and accounting expertise. While the Board and its committees are not responsible for preparing our financial statements, they have oversight responsibility and the audit committee has the authority to select, oversee and evaluate our independent registered public accounting firm.
- Legal Matters:** Experience complying with legal and contractual requirements, as well as understanding complex litigation and litigation strategies. Our Board has an important oversight function with respect to compliance with applicable requirements. In addition, it monitors legal proceedings and evaluates major settlements.

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Proposal No.1—Election of Directors | Nominees Standing for Election as Directors for Terms Expiring at the 2019 Annual Meeting

NOMINEES STANDING FOR ELECTION AS DIRECTORS FOR TERMS EXPIRING AT THE 2019 ANNUAL MEETING

Juan Acosta Director of the Corporation since August 2014. Mr. Juan Acosta Reboyras is the **Reboyras** Managing Member and Co-Founder of Acosta & Ramirez, Law Offices LLC, specializing in tax and corporate law, individual tax planning, estate planning and general matters of tax and corporate law. Mr. Acosta Reboyras is a former partner of

AGE: KPMG and of the Goldman Antonetti & Cordova and McConnell Valdes law firms.

63 Throughout his 42-year career, Mr. Acosta-Reboyras has dealt with a variety of tax compliance and planning issues while concentrating on tax-related business affairs,

DIRECTOR SINCE: including corporate reorganizations, mergers, acquisitions and divestitures. He has also August 2014 counseled clients on the organization and operation of corporations in Puerto Rico, applications for grants of tax exemption and United States and Puerto Rico income tax matters dealing with outbound and inbound transfers of assets. Mr. Acosta-Reboyras has been a Certified Public Accountant since 1977 and has been licensed to practice law in the Commonwealth of Puerto Rico and the United States Court of Appeals for the First Circuit since 1984. He is a former President of the Puerto Rico Society of Certified Accountants and a member of the Puerto Rico Bar Association and the American Institute of Certified Public Accountants. He is also a former member of the Board of Directors of the University of Puerto Rico.

Director Qualifications:

- Extensive experience in tax and corporate law gained as the managing partner of Acosta & Ramirez, LLP enhances the Board's understanding of tax and financial matters.
- Variety of tax compliance and planning issues, including corporate reorganizations, mergers, acquisitions and divestitures brings to the Board vast legal related expertise.
- Leadership experience obtained from director and executive positions held at the Puerto Rico Society of Certified Accountants enhances the Board's oversight functions.

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Proposal No.1—Election of Directors | Nominees Standing for Election as Directors for Terms Expiring at the 2019 Annual Meeting

Aurelio Alemán President and Chief Executive Officer since September 2009. Director of First BanCorp. and its subsidiary FirstBank since September 2005. Mr. Alemán currently serves as Chairman of the Board of Directors and CEO of the Corporation’s subsidiaries First Federal Finance Limited Liability Company d/b/a Money Express, First Express, Inc.,

AGE: First Management of Puerto Rico, L.L.C., FirstBank Insurance Agency, LLC and 60 FirstBank Overseas Corp. He was the Chairman of the Board of Directors and CEO of the Corporation’s subsidiary First Mortgage, Inc. from September 2005 through

DIRECTOR SINCE: December 2014, and Senior Executive Vice President and Chief Operating Officer of September 2009 First BanCorp. from October 2005 to September 2009. During that period, he was responsible for all the Retail & Consumer Banking Business Areas of FirstBank, as well

President and Chief Executive Officer as the operations of First Mortgage, First Leasing & Car Rental, FirstBank Insurance Agency, Inc., and First Federal Finance Limited Liability Company d/b/a Money Express. He was also in charge of the operations of FirstBank’s Florida banking subsidiary and the British and US Virgin Islands, where FirstBank is the leading banking institution. In addition, he supervised the Human Resources, Operations, Technology, Strategic Planning, and Marketing and Public Relations departments. He was the Executive Vice President responsible for the consumer lending business of FirstBank between 1998 and 2009, where he undertook the presidency of various of the Corporation’s subsidiaries, as follows: President of First Federal Finance Limited Liability Company d/b/a Money Express from 2000 to 2006; President of FirstBank Insurance Agency, Inc. from 2001 to 2006; and President of the Corporation’s subsidiary First Leasing & Rental Corp. from 1999 to June 2007. Previously, he was Vice President of Citibank, N.A. as Chief of Consumer Indirect Business & Mortgage, responsible for the wholesale and retail automobile financing and retail mortgage business from 1996 to 1998 and Vice President of Chase Manhattan Bank, N.A., as Operations and Technology Executive, responsible for banking operations and technology of the retail and corporate banking divisions for Puerto Rico and the Eastern Caribbean region from 1990 to 1996.

Mr. Alemán served as president of the Puerto Rico Bank’s Association from 2011 to 2013. Currently, he has been a Director, since 2012, of the Latin America and Caribbean Advisory Board of MasterCard and, since October 2017, Chairman of the Board of Directors of United for Puerto Rico, a private non-profit organization, established under the laws of Puerto Rico.

Director Qualifications:

- Role as CEO of the Corporation since 2009, President and/or CEO of many of the Corporation’s subsidiaries from 2005 to 2009, and Chief Operating Officer of First BanCorp. from 2005 to 2009, has provided him extensive leadership and financial services industry experience. Under his tenure as CEO, he engineered the turnaround of the Corporation’s troubled financial institution subsidiary in a local economy that had produced by then three bank failures. In less than two years, he oversaw the creation of a strategic plan that resulted in the \$520 million recapitalization of the Corporation in 2011, the second largest of its kind since the financial crisis in 2008. After the capital raise, Mr. Alemán’s leadership resulted in the transition of the organization from a defensive to an offensive posture and in the

timely execution of the Corporation's strategic plan, which has produced major improvements in net interest income, deposit growth and composition, and asset quality within a local economy that continues to be mired in a recession. The Corporation's return to profitability in 2012, ahead of market expectations, was accompanied by the strengthening of the franchise in the areas of product development, talent management, and employee engagement. Under Mr. Alemán's direction, the Corporation participated, in 2015, in a novel transaction with one of its competitors to acquire Doral Bank. Thus, expanding the institution's footprint and increasing its growth potential.

- His career of more than 37 years in the financial services industry, which includes diverse positions in the areas of business administration, sales, credit and risk, banking operations, and technology in institutions such as the Corporation, Citibank and Chase Manhattan Bank, has given him a comprehensive understanding of the industry.
- In his roles as President, Chief Executive Officer and Chief Operating Officer of the Corporation and the Bank and through his prior experience as Vice President of Citibank, N.A. and Chase Manhattan Bank, N.A., Mr. Alemán gained extensive experience with financial services, consumer business, corporate business issues, risk management, operations and technology.

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Proposal No.1—Election of Directors | Nominees Standing for Election as Directors for Terms Expiring at the 2019 Annual Meeting

Luz A. Crespo Director of the Corporation since February 2015. Chief Executive Officer of the Puerto Rico Science, Technology and Research Trust since March 2015. Mrs. Luz A. Crespo is a retired General Manager of the Enterprise Business Division (Puerto Rico Manufacturing Operation-PRMO) of Hewlett-Packard Puerto Rico (HP) located in Aguadilla. Her tenure at HP lasted for 31 years from 1981 to 2013. She is a member of the Industrial Engineering Honor Society, Alpha Pi Mu. Mrs. Crespo served as the president of the Puerto Rico Manufacturing Association (PRMA) from 2000 to 2002 and later served on the Nominating Committee of PRMA from 2003 to 2013. She was also a member of the Manufacturing Advisory Board during the incumbency of Governor Luis Fortuño from 2011 to 2013.

Director Qualifications:

- Her tenure of over 31 years at HP provides significant leadership experience over an extended period of time. As part of her responsibilities, she provided supply chain support to operations in Europe (England, Germany and the Czech Republic) and Mexico. In addition, Mrs. Crespo managed the Latin-American Unix operation where her responsibilities included sales, marketing and total customer experience.
- Brings to the Corporation risk management expertise in the information technology (IT) industry, which is redefining the competitive landscape for every major corporation. Mrs. Crespo's experience and expertise in IT related matters provides the board with valuable direction and input on IT-related risks and assists the Corporation in developing a more effective IT governance structure and cyber security oversight.

Tracey Dedrick Director of the Corporation since January 2019. Ms. Dedrick is a former Executive Vice President and Head of Enterprise Risk Management for Santander Holdings U.S., where she was responsible for enterprise risk, operational risk and market risk for the Americas. Prior to this role, Ms. Dedrick was Executive Vice President and Chief Risk Officer at Hudson City Bancorp from July 2011 until November 2015 and its successor M&T Bank from November 2015 to February 2016. From January 2010 to February 2011, Ms. Dedrick served as the Treasurer of PineBridge Investments, an asset management company with \$83 billion in assets under management. Prior to this, Ms. Dedrick was employed by MetLife, the largest insurance in the United States, where she served as Vice President and Assistant Treasurer from June 2001 until July 2004, Vice President and Head of Investor Relations from July 2004 until July 2007 and then served as the

Senior Vice President and Head of Market Risk from July 2007 until September 2009. Additionally, Ms. Dedrick currently serves as a board member of the Information Systems Audit and Control Association (ISACA), the Royal Shakespeare Company of America and the Royal Oak Foundation. As board member of ISACA, Ms. Dedrick is member of the Finance Committee and Chair, CEO Selection Committee.

Director Qualifications:

- She is a financial service industry executive, with 40 years of experience in a wide variety of management roles in areas such as risk management, compliance, treasury and investor relations, which provides the Board with valuable insight.
- As Executive Vice President and Head of Enterprise Risk Management of Santander Holdings U.S., Ms. Dedrick brings to the Board valuable insight with respect to governance over enterprise risk management functions and other operational and market risk areas, such as information security and treasury functions.
- Extensive knowledge of key risk areas, such as, market, liquidity, credit, operational, cyber, strategic, reputational, model and vendor/third party risks, consumer and commercial banking regulations, including BSA/AML, UDAAP and CRA, enhances the Board's oversight of those areas.

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Proposal No.1—Election of Directors | Nominees Standing for Election as Directors for Terms Expiring at the 2019 Annual Meeting

Daniel E. Frye Director of the Corporation since August 2018. Mr. Frye is a former Special Advisor and Area Director of the FDIC, with over forty years of experience in the banking industry. Prior to retiring in December 2016, Mr. Frye held various positions within the FDIC, including Bank Examiner, Regional Manager, Area Director and Special Advisor. From **AGE:** August 2014 to December 2016, Mr. Frye served as Special Advisor in the FDIC. From 64 2002 to August 2014, he served as Area Director of the FDIC’s Boston Area Office, where he directed the risk management supervisory activities for the six New England

DIRECTOR SINCE: states and served as acting Regional Director for the FDIC’s New York Region for August 2018 approximately two years during this timeframe, with responsibility for both the risk management and consumer protection supervisory programs. Mr. Frye has served as an independent director of the privately-held Shinhan Bank America since April 2017.

Director Qualifications:

- His extensive experience as a former Bank Examiner, Regional Manager and Area Director of the FDIC, with over 41 years of experience in a wide variety of roles requiring risk management and financial expertise, enables him to provide the Board with valuable insight into financial services industry and in key areas of leadership, risk management and financial reporting.
- His extensive experience overseeing risk management and financial functions at the FDIC, enables him to assist the Corporation in ensuring that it is properly identifying, measuring, monitoring, reporting, analyzing and controlling or mitigating risk.

Robert T. Gormley Director of the Corporation since October 2012. Mr. Gormley is a former bank executive whose career in the banking industry has spanned nearly four decades. In 1970, after graduating from Providence College with a bachelor’s degree in management, he entered the management trainee program at Fleet Bank N.A., where he rose to the position of

AGE: Executive Vice President and Senior Loan Officer. In 1993, he joined Citizens Financial 70 Group, serving initially as Executive Vice President and Chief Lending Officer for Citizens Bank of Rhode Island, then as President and CEO of various branches in New

DIRECTOR SINCE: England, and, finally, as Vice Chairman and Chief Risk Officer of Citizens Financial October 2012 Group until his retirement in 2007.

Director Qualifications:

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Over 43 years of experience in the financial services industry has given him a comprehensive understanding of the industry.

- Experience in a variety of senior level credit positions enhances the Board's oversight of the Bank's lending functions.

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Proposal No.1—Election of Directors | Nominees Standing for Election as Directors for Terms Expiring at the 2019 Annual Meeting

John A. Heffern Director of the Board since October 2017. Founder of KCA Equity Advisors, LLC since January 2017 and also serves as its Principal. Prior to founding KCA, Mr. Heffern was a Managing Partner/Senior Portfolio Manager at Chartwell Investment Partners. Mr. Heffern served in this role from 2005 through 2016 and managed the firm’s growth

AGE: investing strategies for institutional separate account clients and as subadvisor to leading 57 mutual fund companies with multi-manager strategies in the areas of domestic small cap growth and mid cap growth equities. From 1997 to 2005, he served as a Senior Vice

DIRECTOR SINCE: President and Senior Portfolio Manager with the growth investing group at Delaware October 2017 Investment Advisers, and was a founder of the Delaware American Services Fund, a mutual fund specializing in banking and non-banking financial companies as well as non-financial service companies. From 1994 to 1997, he served as a Senior Vice President/Senior Equity Analyst at NatWest Securities Limited, Research Division, covering banks and specialty financial services companies. From 1988 to 1994, Mr. Heffern was a Principal and Senior Equity Analyst at Alex. Brown & Sons, Inc, Research Division, where he specialized in US banks and thrifts. He holds an M.B.A. in Finance and a BA in Economics from the University of North Carolina at Chapel Hill. Mr. Heffern serviced from May 2016 through September 2018 on the Board of Trustees of the Princeton Junior School where he chaired its Development Committee and is a member of its Finance Committee.

Director Qualifications:

- Experience with financial services companies and risk management expertise obtained as a managing Partner/Senior Portfolio Manager at Chartwell Investment Partners analyzing and monitoring substantial investment positions gained through his work in investment banking enables him to provide the Board with valuable insights regarding investment strategies.
- More than 30 years of finance, banking and managerial experience and expertise in evaluating companies’ strategies, operations and risks gained through his work in investment banking enables him to provide the Board with valuable insights.

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Proposal No.1—Election of Directors | Nominees Standing for Election as Directors for Terms Expiring at the 2019 Annual Meeting

Roberto R. Herencia Director and Chairman of the Board since October 2011. President and CEO of BXM Holdings, an investment fund specializing in community bank investments, since October 2010. Between 2009 and 2010, President and CEO of Midwest Banc Holdings, Inc. for which a plan of liquidation was confirmed on June 1, 2011, and its subsidiary **AGE:** Midwest Bank and Trust. Previously, he spent 17 years with Popular Inc. (NASDAQ: 59 BPOP) as its Executive Vice President and as President of Popular Inc.'s subsidiary Banco Popular North America. Prior to joining Popular, Mr. Herencia spent 10 years **DIRECTOR SINCE:** with The First National Bank of Chicago, now J.P. Morgan Chase (NYSE: JPM), in a October 2011 variety of roles, including Deputy Senior Credit Officer and Head of the Emerging Markets Division.

OTHER CURRENT PUBLIC BOARDS: In March 2016, Mr. Herencia was appointed as an independent director of Banner Corporation (NASDAQ: BANR) and its subsidiary Banner Bank. He has been an independent director and the chairman of the board of Byline Bancorp (NYSE: BY) and its subsidiary Byline Bank since June 2013. Mr. Herencia served from December 2010 **Banner Corporation** until September 2015, as an independent director of privately held SKBHC Holdings **Byline BanCorp** LLC, and its two subsidiary banks, AmericanWest Bank and First National Bank of Starbuck.

Mr. Herencia serves on the Board of Directors of the Overseas Private Investment Corporation (OPIC), an agency of the U.S. Government, following his appointment by President Obama and confirmation by the U.S. Senate in 2011, and re-nomination in April 2013. Mr. Herencia is a Trustee of DePaul University and the Northwestern Memorial Foundation in Chicago. He serves on the Board of Directors of Junior Achievement of Chicago and Operation Hope in Los Angeles. Between 2003 and 2007, Mr. Herencia was a member of the Board of Directors of The ServiceMaster Company (NYSE: SVM), where he served as Chairman of its Audit and Finance Committee and designated financial expert.

Director Qualifications:

- He is a financial services industry executive, consultant and leader with 37 years of broad experience in all aspects of the banking industry in the U.S., including senior roles in all segments of banking, including corporate, commercial, small business, problem asset restructuring and retail banking, which provides the Board with valuable insight in the areas of leadership, strategic planning, and relationship banking.
- His vast experience in the financial institutions industry, as evidenced by his positions as CEO of a publicly traded community bank, head of emerging markets at a major domestic and international bank, and consultant to regulators, has provided him with extensive experience in complex and distressed turnaround efforts, mergers, and acquisitions. This experience benefits the Board's ability to assess issues relating to regulatory compliance and risk management.
- His experience and designation as a financial expert and chairman of the audit committee of a publicly traded company and his role in various other audit committees of private companies enhance the Board's understanding of complex

- financial matters and understanding of governance matters.
- Corporate business knowledge, leadership abilities, and risk management capabilities obtained from Mr. Herencia's experience as President and CEO enhance the Board's understanding of the responsibilities and challenges of public companies.

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Proposal No.1—Election of Directors | Required Vote

José Menéndez- Cortada Director of the Corporation since April 2004. Served as Chairman of the Board from September 2009 to October 2011. Served as Lead Independent Director from February 2006 to September 2009. Of Counsel to Martínez-Alvarez, Menéndez-Cortada & Lefranc-Romero, a full service firm specializing in Commercial, Real Estate and Construction Law. Director and Vice President at Martínez-Alvarez, Menéndez-Cortada & Lefranc-Romero, PSC in charge of the corporate and tax divisions until 2009; joined the firm in 1977. Tax Manager at PricewaterhouseCoopers, LLP until 1976. Counsel to the PRISA Group companies since 1977. Counsel to the Board of Bermudez, Longo, Díaz-Masso, LLC since 1985. Honorary director of the Tasis Dorado Educational Foundation, Inc., director of the Homebuilders Association of Puerto Rico from 2002 to November 2011, trustee of the Luis A. Ferré Foundation, Inc. (Ponce Art Museum) from 2002 to 2016 and chairman of the audit committee of that foundation from 2009 to 2016.

Director Qualifications:

- Leadership and director experience attained from having held multiple positions, including Director of the Homebuilders Association of Puerto Rico, trustee of the Luis A. Ferré Foundation, Inc., and Lead Independent Director and past Chairman of First BanCorp., enables him to assist the Board with its oversight responsibilities.
- Extensive legal, taxation, accounting and business acumen obtained from positions held at Martínez-Alvarez, Menéndez-Cortada & Lefranc-Romero, PSC, PricewaterhouseCoopers, LLP and Bermudez, Longo, Díaz-Masso, LLC enhances the Board's understanding of complex legal, tax, accounting and business issues.
- Knowledge of the construction and development industry obtained as Director of the Homebuilder's Association of Puerto Rico and counsel to the Board of Bermudez, Longo, Díaz-Masso, LLC and as partner at Martínez-Alvarez, Menéndez-Cortada & Lefranc-Romero, PSC provides valuable insight regarding the construction industry.
- Knowledge of the hotel and gaming industry as Counsel to the PRISA Group companies that have developed and constructed five hotels since 2010, provides valuable insight regarding the hospitality industry.
- Audit committee experience acquired from serving as trustee and co-chairman of the Audit Committee of the Luis A. Ferré Foundation, Inc. (Ponce Museum) enhances the oversight role played by the Corporation's audit committee.

Required Vote

To be elected, each director must receive the affirmative vote of a majority of the outstanding shares represented in person or by proxy at the meeting and entitled to vote on the election of directors.

Recommendation of the Board of Directors

The Board Unanimously Recommends that You Vote for the Election of Each Director Nominee.

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Information About Executive Officers Who Are Not Directors

INFORMATION ABOUT EXECUTIVE OFFICERS WHO ARE NOT DIRECTORS

The executive officers of the Corporation and FirstBank, other than our President and Chief Executive Officer, are listed below. The Corporation's By-laws provide that each officer shall be elected annually at the first meeting of the Board after the annual meeting of stockholders and that each officer shall hold office until his or her successor has been duly elected and qualified or until his or her death, resignation or removal from office.

Orlando Berges, 61

Executive Vice President and Chief Financial Officer

Executive Vice President and Chief Financial Officer of the Corporation since August 1, 2009. Over 39 years of experience in the financial, administration, public accounting and business sectors. Mr. Berges served as Executive Vice President of Administration of Banco Popular de Puerto Rico, a subsidiary of Popular, Inc., from May 2004 until May 2009, where he was responsible for supervising the finance, operations, real estate, and administrative functions in both the Puerto Rico and U.S. markets; Executive Vice President and Chief Financial, Operations and Administration Officer of Popular Inc.'s subsidiary Banco Popular North America from January 1998 to September 2001, and as Regional Manager of a branch network of Banco Popular de Puerto Rico from October 2001 to April 2004. Mr. Berges is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants and the Puerto Rico Society of Certified Public Accountants. He is a director of the Corporation's subsidiaries First Federal Finance Limited Liability Company d/b/a Money Express, FirstBank Overseas Corp., First Express, Inc., First Management of Puerto Rico, L.L.C. and FirstBank Insurance Agency, LLC. He was a director of the Corporation's subsidiary First Mortgage from August 2009 through December 2014.

Calixto García-Vélez, 51

Executive Vice President and Florida Region Executive

Executive Vice President and FirstBank Florida Regional Executive since March 2009. Director of the Corporation's Special Assets Group from 2010 to 2017. Before that, President and CEO of Doral Bank, EVP and President of the Consumer Banking Division of Doral Financial Corp in Puerto Rico and a member of Doral Bank's Board of Directors from September 2006 to November 2008. President of West Division of Citibank, N.A., responsible for the Bank's businesses in California and Nevada from 2005 to August 2006. From 2003 to 2006, Business Manager for Citibank's South Division where he was responsible for Florida, Texas, Washington, D.C., Virginia, Maryland and Puerto Rico. President of Citibank, Florida and board member of Citibank F.S.B. and Citibank West, F.S.B. from 1999 to 2003.

Donald Kafka, 59

Executive Vice President and Chief Operating Officer

Executive Vice President and Chief Operating Officer since January 2015. Mr. Kafka is a seasoned executive with over 35 years of financial services experience in the United States,

Latin America and Asia with diverse positions in institutions such as Banesco International Corp, First Southern Bancorp and Citibank. Mr. Kafka began his professional career with Citibank where, during his 20-year tenure from 1982 to 2002, he held multiple domestic and international executive management positions, including Chief Operating Officer of the company's Florida-based Consumer Latin America North Division and President of the retail businesses in Venezuela and in Thailand. As the Chief Operating Officer of the Consumer Latin America North Division, he directed strategic planning, business development, financial management and day-to-day operations, interacting with specialized regional functional and product support areas. In 2003, he joined Florida-based First Southern Bancorp, an institution that provided banking products and services through its First Southern Bank franchise. Mr. Kafka served as First Southern's Chief Operating Officer and Chief Financial Officer from 2003 to 2010 and as its Chief Investment Officer from 2010 to 2012. From 2012 through the first quarter of 2014, Mr. Kafka was the General Manager for Banesco International Corp., a corporation which offers a wide range of banking, payment solutions and insurance financial services and products.