





**First BanCorp**

**66-0561882**

**Attachment to Form 8937**

**Report of Organizational Actions Affecting Basis of Securities**

*Disclaimer: This Form 8937 and its attachment do not constitute tax advice. Neither document analyzes any specific Shareholder's facts and circumstances. Shareholders should seek independent counsel from qualified tax advisors regarding the U.S. tax consequences of the transaction described in this statement and its impact on their U.S. taxes.*

**Form 8937, Part I, Lines 10 and 12**

Series	Symbol	Cusip
A	FBPRP	318672201
B	FBPRO	318672300
C	FBPRM	318672409
D	FBPRN	318672508
E	FBPRL	318672607

**Form 8937, Part II, Line 14**

On November 30, 2021, First BanCorp. (the "Corporation") (NYSE: FBP), redeemed the following outstanding shares of Series A through E Noncumulative Perpetual Monthly Income Preferred Stock (collectively, the "Series A through E Preferred Stock") which represented all of its outstanding preferred stock:

Series	Description	Outstanding Shares
A	7.13% Noncumulative Perpetual Monthly Income Preferred Stock	197,386
B	8.35% Noncumulative Perpetual Monthly Income Preferred Stock	296,146
C	7.40% Noncumulative Perpetual Monthly Income Preferred Stock	249,852
D	7.25% Noncumulative Perpetual Monthly Income Preferred Stock	285,522
E	7.00% Noncumulative Perpetual Monthly Income Preferred Stock	415,240

The redemption date for each of the Series A through E Preferred Stock was November 30, 2021 (the "Redemption Date"). The redemption price for each Series A through E Preferred Stock was \$25.00 per share, plus an amount equal to any dividends that have accrued but not been paid for the then-current monthly dividend period to the Redemption Date. On and after the Redemption Date, no shares of the Series A through E Preferred Stock will be outstanding and dividends in respect of the Series A through E Preferred Stock will no longer accrue.

**Form 8937, Part II, Line 15**

The Redemption may be a sale or exchange within the meaning of section 302(b) of the Internal Revenue Code (the "Code") if the Redemption, for a particular Shareholder: (1) is not "essentially equivalent to a dividend"; (2) is a distribution that "is substantially disproportionate with respect to the shareholder"; or (3) "is in complete redemption of all of the stock of the corporation owned by the shareholder." Since the determination of the treatment as a sale or exchange under the Code depends on each Shareholder's facts and circumstances, Shareholders are advised to consult with their own qualified tax advisors to determine the appropriate tax consequences for them.

**Form 8937, Part II, Line 16**

Each Shareholder must determine their adjusted tax basis to calculate whether there is a recognized gain or loss. Each Shareholder should consult with their qualified tax advisor to determine their specific tax consequences of the Redemption.

As of the Redemption Date, the Fair Market Value of the Series A through E Preferred Stock was \$25.00 per share.

**Form 8937, Part II, Line 17**

The relevant sections of the Code are: 301, 302, 317, and 1001.

**Form 8937, Part II, Line 18**

The Redemption may result in a recognizable loss to U.S. Shareholders for federal tax purposes if the Shareholder's adjusted basis in the redeemed shares exceeds the net proceeds received from the Redemption.

**Form 8937, Part II, Line 19**

The Corporation does not provide tax advice to its Shareholders. The explanation in this statement is neither intended nor written to be used, and cannot be used, for purposes of avoiding any penalties under the Code. The explanation does not purport to be a complete explanation of the tax consequences for any Shareholder, including the possibility of applying different methods for determining a Shareholder's tax basis. The reportable tax year is calendar year 2021.