

WHY

Popular Association Banking?

WHAT SETS US APART FROM THE COMPETITION?

Popular Association Banking ("PAB") is a leader in the community association banking industry, and our dedicated staff of experts understands the needs of community associations. The PAB Team has worked together for over 16 years, and has expanded the program nationally with an active lending platform in 19 states, and originated over \$1.5 billion in loans to community associations. We are truly relationship bankers and our service does not cease at the closing of any one transaction. Our service level, knowledge of the industry, and reputation are the cornerstones of our success.

In addition to providing loans, we offer investment solutions, including cash management services, state-of-the-art

lockbox payment processing, as well as participating in the Certificate of Deposit Account Registry ServiceSM (CDARS[®]). The CDARS program places the funds into CDs issued by other banks in the CDARS network—in increments of less than the standard FDIC insurance maximum—so that both principal and interest are eligible for complete FDIC insurance. This allows amounts up to \$50 million per association customer to be covered by FDIC insurance.

Our "one-stop-shop" for community associations and their managers can accommodate all financing, lockbox, and depository needs. With our diversified array of depository instruments—including CDARS—together with our centralized deposit team, we can offer our customers the prompt service they expect and deserve!

To discuss details about your association's financing needs, call one of our professionals today!

1-800-233-7164, x431143

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Collection Solutions Electronic Payments

Community associations may find collecting payments (monthly assessments) electronically from customers (unit owners) using the Automated Clearing House (ACH) a better method of receiving payments. Using the ACH network, you can originate preauthorized transactions to move funds from customers, corporate trading partners or from your accounts at other banks. ACH origination files can be processed using Web Cash Manager or sent to Popular Association Banking via Direct Transmission in NACHA format.

BENEFITS

Improve your collections: Reduces delinquent payments and eliminates returned checks while accelerating your association's cash flow.

Save money: Eliminates the expense and effort of preparing and delivering check deposits and cuts the operational expense associated with collection processing.

IMPROVE your collection process

Through mutual agreement with your customer/unit owner or trading partner, the bank will process your origination file and debit the funds from the payer's checking account and electronically deposit the payments into your Popular Association Banking account. You set the settlement date for each ACH transaction, so you know when your account will be credited.

Improve funds management: Funds are credited to your account on the specific date, thus facilitating cash forecasting.

Faster funds availability: Funds are available to you on the day the payment is made.

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Deposit Pickup Service

Our Deposit Pickup Service,* designed especially for our business checking account customers, is convenience at its best. We know running out to make urgent deposits is never convenient, so we come to you. Our couriers, acting as our agents, go directly to your workplace to pick up your association's deposits.** It's that easy.

We come to

YOU

Simply schedule your business checking deposit pickups on days and times convenient for you. It can be daily, weekly or as often as you need. Our courier will come as scheduled, even after banking hours.

Upon receipt at the branch, all deposits are treated the same as if received from you in person.[†]

BENEFITS

Convenient. We work around your schedule. We come to you whenever you are ready.

Time saving. No more running to the bank. Focus on what's important without interruptions.

Simple. Just contact your banker to schedule your first pickup!

Your first step is your last step. Call today.

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* Please ask about availability in your area. ** This service is available for check deposits only; no currency deposits are accepted. † Deposit(s) are credited to account on the same date if received from the courier at the nearest branch before 2 pm. If the deposit is received after 2 pm or on a day we are not open, we will credit that deposit the next business day. Availability of funds is in accordance with the terms and conditions of our Funds Availability Notice, as stated in our Business Banking Disclosure Brochure. ©2009 Popular Association Banking, a division of Banco Popular North America. **Member FDIC.**

Positive Pay

At Popular Association Banking protecting your accounts and financial information is a priority. With our transaction management system you can protect your association's assets before any problem occurs. Our fraud prevention tool focuses on Positive Pay and account reconciliation transactions to reduce your association's exposure to payment fraud.

Associations of all sizes can benefit from our Positive Pay monitoring business banking solution. It offers a secure browser interface which eliminates the need to install any software. The online exception management enables the customers to make pay or return decisions for check exceptions, view images of checks in question, analyze reports and submit electronic issued check files.

BENEFITS

Secure web interface eliminates the need to install software on client workstations.

On-line exception management enables the client to make pay/return decisions via the web for all check exceptions.

Check image integration allows the client to view images of exception items.

Easy uploading of submitted issued check files.

PROTECTING

your assets

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Daily Cash

Daily Cash Investment Service

Our Daily Cash Investment Service is an efficient way to maximize interest income on excess balances in all your association's checking accounts. This automatic investment service ideal for accounts with fluctuating balances. Your association's checking accounts are set up with customized target balances. Effortlessly earn a competitive interest rate when we automatically sweep excess funds from each of your checking accounts into a repurchase agreement on a daily basis.

PUT your excess funds to good use

A repurchase agreement is an arrangement for the sale of a security by Banco Popular to your association and the subsequent buy back of the same security with interest by Banco Popular from you the next day. Repurchase agreements are safe, secure, overnight investments that ensure your excess balances are earning competitive returns while providing liquidity to meet your operating cash needs.

BENEFITS

Maximize return on excess available balances: All excess available funds are invested in a secure instrument and yield a competitive rate of interest.

Access to your funds: Checking and investment accounts are automatically linked and funds automatically transferred on your behalf.

An effortless and cost-effective investment: Put your excess funds to good use everyday. The sweep investment service is completely automated. There is no need for you to calculate daily balances and manually transfer funds—Popular Association Banking does it for you with no action required on your part.

Note: Funds invested in the sweep investment service are not FDIC insured. For more information, please visit www.fdic.gov.

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Daily Cash

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CDARS® Program

Our Certificate of Deposit Account Registry ServiceSM (CDARS) program allows our association clients access to full FDIC insurance on CD investments up to \$50 million. If your community association currently opens accounts with multiple banks, negotiates several interest rates, or manually consolidates statements each month, this may be an option for you. With CDARS, you'll have:

- One bank
- One interest rate
- One statement

Your association funds are placed into CDs issued by other banks in the CDARS network—in increments of less than the standard FDIC insurance maximum—to assure that your entire deposit is eligible for full FDIC coverage. You'll receive one monthly statement listing all CDs, including maturity dates, issuers, interest earned and more.

BENEFITS

Full FDIC coverage

Single monthly statement

Maturities and terms that best suit your investment needs

Business Money Market Account

Our Business Money Market Account is the ideal investment solution for associations with minimal withdrawal needs that are looking to earn interest income on their replacement reserves or excess balances.

This deposit account allows you to manage your company's money while you earn interest income; and benefit from complete liquidity, flexibility, and a competitive return on invested funds. Federal regulation limits the number of withdrawals and/or transfers. Please ask a PAB representative for details.

BENEFITS

Complete liquidity

Competitive return on invested funds

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ELECTRONIC

payments through ACH

The Automated Clearing House (ACH) Network is a nationwide electronic payments network operated by the Federal Reserve Bank and financial institutions. It performs the inter-bank clearing of paperless entries for participating financial institutions, providing a means for electronic funds transfer.

The ACH Network connects the 50 United States, Puerto Rico and the U.S. Virgin Islands electronically through high-speed telecommunications.

The electronic transfer of funds through the ACH Network offers community associations an inexpensive and reliable means of originating electronic debits and credits. The ACH Network can process payments, collections, cash concentration and disbursements. Transactions such as direct deposit of payroll, vendor, dividend and utility payments are ideally suitable for electronic funds transfer.

We offer a variety of ways for you to initiate electronic payments through the ACH Network.

Web Cash Manager

Web Cash Manager (WCM) can be used to easily initiate ACH transactions through your web browser. The system is easy to use and offers the ability to process numerous different payment types, including direct deposit of payroll, cash concentration and disbursement, Federal and State Tax payments and consumer debits and credits. The system creates your payments in industry standard formats and forwards them for processing through the ACH network at the click of a button.

BENEFITS

Convenient: Everything you need to originate ACH transactions is stored on our server, including your payment database. Initiate transactions at your convenience, even when you're working from home or away from the office.

Improve funds management: WCM provides complete information about account activity and controls the timing of payments. Also, you save time by storing databases of ACH transactions, allowing you to re-use payment information.

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Disbursement Solutions Electronic Payments

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Simple to use: Intuitive data entry screens make WCM easy and convenient. The system also offers a complete dynamic online help guide, making the system easy to understand for any user.

Frequent Upgrades: We add new enhancements to the service frequently, and they are instantly available on the system without you performing any upgrades on your PC. Frequent upgrades guarantee compliance with industry changes, such as changes to State and Federal Electronic Tax payment requirements.

Easy Integration: Easily integrate with other desktop systems through the Data Import module. The Data Import module lets customers create their own import formats to import data from external accounting, spreadsheet, or other packages to an ACH Database.

Reduce Risk: Reduce the number of checks you must purchase, store, protect, issue and distribute.

ACH Direct Transmission

We offer a variety of direct transmission options for sending ACH origination files. This service is designed for associations with a high volume of transactions and the ability to create transmission files according to the National Automated Clearinghouse Association (NACHA) format. Your association originates and transmits a transaction file to us containing a record for each payment. We process this file and electronically credit or debit the accounts held at any financial institution participating in the ACH Network on the effective date you chose.

Frequent payment types utilizing the Direct Transmission method include the Direct Deposit of Payroll, Expense Reimbursements, Remittance, Vendor Payments, EFTPS Federal Tax, and other standard State, City payments.

BENEFITS

Reduces administrative costs: Eliminate paper checks and save money. The cost on an ACH transaction is lower than a check payment.

Eliminates Risk: Eliminate the risk and cost of lost or stolen checks.

Better management of funds: You decide the exact date your account is debited or credited for each ACH transaction.

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Web Cash Manager™ Internet Banking

The Web Cash Manager™ (WCM) product suite gives you the tools you need to manage your accounts from a single point of access. Using a standard Web-browser over a private, secured connection to the bank, you can access a streamlined menu of easy-to-use cash management services. Because it is a modular system, WCM offers different options geared to specific financial functions. You can select the modules that best support and enhance your own cash management strategies and add modules to your system as your requirements change.

MODULES INCLUDE:

- Current and previous day information reporting of account balances and transaction activity for deposit and loan accounts
- Account transfers
- Stop payments
- ACH origination of payroll, taxes, collections and disbursements
- Image lockbox

Web Cash Manager links you directly to Banco Popular through a browser-based multi-layer security system. Simply login to our site at www.bancopopular.com and click on the link for Web Cash Manager.

BENEFITS

Easy online access: WCM is Internet based, no additional software is needed.

Greater control and security: Information is always secure because the data transmitted is encrypted using 128-bit Secure Socket Layer (SSL) technology. Also, each user with access is given a unique User ID and Password. You can specify what modules and accounts each user can access, set daily dollar processing limits for users initiating ACH and require secondary approvals and token authentication for the release of ACH.

Quick and easy access to your account information: Get current and previous day balance and transaction information online. Create and customized reports online, or export information into other software using bank industry-standard reporting formats.

Robust transaction processing capabilities: Offers two modules that let you manage your funds transfers online! Banco Popular's Account Transfer Module allows you to transfer funds on a real time basis between your Banco Popular accounts. The ACH Module allows you to originate vendor payments, tax payments, payroll, customer debits, and import payment information from your accounting software.

MANAGE

all your accounts online

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Image Remote Deposit

Image Remote Deposit service provides you with the capability to image-capture check payments at your place of business and electronically deliver those images to the bank over a secure internet connection.

ELIMINATE

trips to the bank

Popular Association Banking equips your business with the image remote deposit technology—a small table-top check scanner and the software to manage each step in the process. Using the check scanner connected to your PC, checks are scanned and captured electronically. A series of simple screens guides you through the deposit process: scanning, preparing and balancing electronic deposit batches, and approving the transmission of these deposits directly to the bank. The bank receives the electronic deposit file, posts the deposit to your account, and processes the deposit images instead of the original paper items. An email verification of deposit is sent to your designated email address, automatically confirming receipt of the deposit.

The Image Remote Deposit software is intelligently designed to do a lot of the work for you. The software reads each check using technology designed to match the numeric dollar amount to the written dollar amount (known as "CAR/LAR" – Courtesy Amount Recognition and Legal Amount Recognition) so you don't have to key the dollar amounts of every check deposited. Dollar amounts not recognized by CAR/LAR technology are manually data-keyed with balance tools that assist in proofing the total deposit amount. Finally, scanned checks are subject to numerous quality and usability tests to ensure the captured image meets all the high standards for image processing.

BENEFITS

Convenience: You no longer have to leave the office to make trips to the bank. Checks are deposited right from your office!

Reduce expenses: You no longer need couriers to pick up and drop off deposits at the bank, and all your deposits can be made to a Popular Association Banking account or all of your managed accounts regardless of your office location.

Extended banking hours: Make deposits to your account until the end of the business day, rather than the traditional mid-afternoon branch deposit deadlines.

Speed up your access to funds: You gain valuable check float benefits by getting deposits into your account faster than ever!

Electronic access: Images can be searched, retrieved, saved and printed via a secure Web browser. Detailed reporting is available for current and past deposit data, and can be exported for data analysis.

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