

Section 1: 11-K (FORM 11-K)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON,

DC 20549

FORM 11-K

FOR ANNUAL REPORTS OF EMPLOYEE
STOCK REPURCHASE SAVINGS
SIMILAR PLANS PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

(Mark One):

- ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the fiscal year ended December 31, 2019

OR

- TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the transition period from _____ to _____

Commission file number 001-12647

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

THE ORIENTAL BANK CODA PROFIT SHARING PLAN

c/o Oriental Bank
254 Muñoz Rivera Avenue,
Oriental Center 15th
San Juan, Puerto Rico 00918

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

OFG BANCORP
254 Muñoz Rivera Avenue,
Oriental Center 15th
San Juan, Puerto Rico 00918



THE ORIENTAL BANK CODA PROFIT SHARING PLAN

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Report of Independent Registered Public Accounting Firm

To the Plan Participants and Plan Administrator
Oriental Bank CODA Profit Sharing Plan:

Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for benefits of The Profit Sharing Plan (the Plan) as of December 31, 2019 and 2018, the related statement of changes in net assets available for benefits for the year ended December 31, 2019, and the related notes (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2019 and 2018, and the changes in net assets available for benefits for the year ended December 31, 2019, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Accompanying Supplemental Information

The supplemental information, Schedule G, Part III - Nonexempt Transactions for the year ended December 31, 2019, and the Schedule H, Line 4i - Schedule of Assets (Held at End of Year) December 31, 2019 have been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental information is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting

and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ KPMG LLP

We have served as the Plan's

~~Sadiforain~~ Puerto Rico
June 26, 2020

Stamp No. E403596 of the Puerto Rico
Society of Certified Public Accountants
was affixed to the record copy of this report

THE ORIENTAL BANK CODA PROFIT SHARING PLAN
Statement of Net Assets Available for Benefits
as of December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Assets:		
Investments at fair value:		
Cash and money market instruments	\$ 222,863	5,976
Common stock	6,189,993	\$ 4,548,003
Insurance company investment contracts (pooled separate accounts)	45,586,165	35,985,003
	51,999,021	40,538,982
Fully benefit-responsive investment contract (stable value fund), at contract value	6,565,321	6,410,664
Total investments	64,753,341	52,978,638
Receivables:	567,528	-
Account receivable from plan sponsor	18,353	19,348
Dividends	7,227	8,257
Notes receivable from participants	593,108	27,605
Total receivables	1,167,866	45,210
Other assets	\$ 59,333,985	47,008,296
Total assets	125,284,170	100,471,816
Liabilities:		
Other liabilities	\$ 56,812	-
Total liabilities	56,812	-
Net assets available for benefits	69,627,358	100,471,816

See accompanying notes to financial statements.

THE ORIENTAL BANK CODA PROFIT SHARING PLAN
Statement of Changes in Net Assets Available for Benefits
Year ended

December 31, 2019

	2019
Additions to net assets attributed to:	
	\$ 9,908,028
Net appreciation in fair value of investments	76,245
Dividends	310,769
Interest and other	
Contributions:	3,237,126
Participants	883,178
Employer	
Commissions reimbursement from plan sponsor (refer to Note 9)	567,528
	14,982,874
Total additions	████████████████████
Deductions from assets attributed to:	(2,682,656)
Benefits paid to participants	(31,341)
Administrative fees	(2,713,997)
Total deductions	████████████████████
Net increase	47,008,296
Net assets available for benefits:	
Beginning of year	\$ 59,277,173
End of year	████████████████████

See accompanying notes to financial statements.

THE ORIENTAL BANK CODA PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2019 AND 2018 AND YEAR ENDED DECEMBER 31, 2019

(1) Description of the Plan

The following description of The Oriental Bank CODA Profit Sharing Plan (the “Plan”) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan’s provisions.

a) General

The Plan was organized on January 1, 1992 as a defined contribution plan originally maintained by Oriental Bank (the “Employer”), a wholly owned subsidiary of OFG Bancorp (the “Company”), for the benefit of the Employer’s and its affiliated companies’ employees who are residents of Puerto Rico and are age 21 or older. The Plan is intended to be a qualified plan pursuant to the Puerto Rico Internal Revenue Code of 2011, as amended (the “PR Code”). In 2016, the Plan was amended or restated to meet the requirements of Sections 401(a) and (k) of the U.S. Internal Revenue Code of 1986, as amended (the “US Code”). The Puerto Rico Treasury Department (the “PR Treasury”) reaffirmed the provisions of the PR Code and the US Code, as amended (“ERISA”). The Plan maintains a cash or deferred arrangement and is subject to the standards, and actually standards and duties, among other requirements. Authority to regulate and investigate the Plan. The DOL reviewed the Plan, as it was selected under the U.S. Department of Labor (DOL) has full from the DOL outlining certain potential violations of the Prohibited Transaction Rules of ERISA. The Employer investigated the DOL’s findings and on December 18, 2019, the Employer received a findings letter related thereto, please refer to Note 9.

For more information

b) Contributions

Each year, participants may contribute up to the maximum deferral amount under the provisions of Section 402(g) of the US Code as annually indexed by the U.S. Internal Revenue Service (the “IRS”). For the periods ended 2019 and 2018, deferral election under the Plan, participants contribute to an individual retirement account (“IRA”) in Puerto Rico, up to \$10,000 and \$18,500, the sum of the annual deferral limit under the PR Code (\$20,000 for the tax years ended December 31, 2019 and 2018). And the Puerto Rico IRA with the aggregate annual contributions from other Puerto Rico and U.S. qualified defined benefit or contribution plans. If, in addition to a Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers pooled separate accounts, a stable value fund, and shares of common stock of the Company as investment options for participants. Participants direct the investment of their matching contributions in the Plan. The Employer provides a discretionary matching contribution of 50% of each participant’s contributions up to a maximum contribution for matching purposes of 4% of the participant’s compensation per year.

c) Participant Accounts

Each participant’s account is credited with the participant’s contribution and Plan earnings and charged with an allocation of administrative fees. Allocations are based on contributions and allocations of the Employer, as defined. The benefit to which a participant is entitled to is the benefit that can be provided from the participant’s vested account.

THE ORIENTAL BANK CODA PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2019 AND 2018 AND YEAR ENDED DECEMBER 31, 2019

d) *Vesting*

Participants are immediately vested in their contributions plus actual earnings thereon. The Employer's contribution portion of their accounts plus actual earnings thereon vest upon the occurrence of any of the following events: completion of three years of credited service; attaining age 65; total disability while employed by the Employer; or death while employed by the Employer.

e) *Payment of Benefits*

On termination of service due to death, disability, or retirement, a participant or its heirs may elect to receive the value of the vested interest in his or her account in either a lump sum amount, a fixed period that may not exceed the participant's life expectancy or through a fixed annuity contract. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump sum distribution.

f) *Loans to Participants*

The Plan does not allow for loans to participants. In October 2013, the *Plan Participación en Beneficios 1081 Banco Bilbao Vizcaya Argentaria Puerto Rico*, a defined contribution plan which covered all full-time employees of the Banco Bilbao Vizcaya Argentaria Puerto Rico, which merged with and into the Oriental Bank, transferred its existing participant loans amounting to approximately \$54,000 to the Plan. These loans will be repaid as they are repaid by participants. Loan terms range from 1-5 years or up to 30 years for a home loan. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with the interest rate charged by persons in the business of lending money for loans which would be made under similar circumstances. Principal and interest are paid ratably through payroll deductions. No additional loans will be granted to participants.

g) *Forfeited Accounts*

Employer contributions that are not vested upon termination of employment are forfeited and may be used to pay administrative expenses and then reduce future contributions to the Plan by the Employer. For the year ended December 31, 2019, forfeitures totaling approximately \$35,000 were used to offset Employer contributions. At December 31, 2019, the Plan had approximately \$2,900 in forfeitures available to pay administrative expenses and reduce future Employer contributions.

h) *Plan Termination*

Although it has not expressed any intent to do so, the Employer has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to ERISA provisions. In the event of Plan termination, participants will become 100% vested in their Employer's contributions.

THE ORIENTAL BANK CODA PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2019 AND 2018 AND YEAR ENDED DECEMBER 31, 2019

(2) **Summary**

Following are the significant accounting policies followed by the Plan:

of Significant Accounting Policies

a) Basis of Presentation

The accompanying financial statements have been prepared under the accrual method of accounting.

b) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates. A material estimate that is particularly susceptible to significant change in the near term is the valuation of investments.

c) Risks and Uncertainties

The Plan invests in various financial instruments. Investment securities are exposed to various risks, such as interest rate, credit, and market risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

d) Investments Valuation

Plan investments, other than fully benefit-responsive investment contracts (FBRICs), are stated at fair value. See Note 3 for discussion of fair value measurements.

FBRICs are reported at contract value, which is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in FBRICs through the Stable Value

Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the declaration date, taking into consideration the ex-dividend date. Net appreciation/ depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

e) Payments of Benefits

Benefits are recorded when paid.

f) Plan Expenses

Under the Plan's contract entered into with Transamerica Retirement Solutions ("Transamerica"), contract asset charges are assessed each month based on the actual combined balance of ~~disposition~~ ~~disposition~~ accounts and the stable value fund. These charges are presented as administrative fees in the Plan's statement of changes in net assets available for benefits.

Administrative expenses, including trustee, legal, auditing, and other fees, may be paid out of the invested assets unless paid by the Employer. Expenses assumed and paid by the Employer during the year ended December 31, 2019 amounted to approximately \$137,000.

g) Recent Accounting Developments

Accounting standards that have been issued by the Financial Accounting Standards Board ("FASB") other standards-setting bodies are not expected to have a material impact on the Plan's statements of net ~~assets~~ ~~assets~~ available for benefits or the related statement of changes in net assets available for benefits.

THE ORIENTAL BANK CODA PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2019 AND 2018 AND YEAR ENDED DECEMBER 31, 2019

(3) Fair Value

As discussed in Note 2, the Plan uses the fair value measurement framework under U.S. generally accepted accounting principles.

Fair Value

~~Measurement~~ The exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs that may be used to measure fair value are:

Level 1 – assets include equity securities that are traded in an active exchange market, as well as certain money market instruments. Valuations transactions involving identical assets. are obtained from readily available pricing sources for market

Level 2 – observable inputs other than Level 1 prices such as quoted prices for similar assets; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets.

Level 3 – unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets include financial instruments whose value is determined using pricing models, for which the determination of fair value requires significant management judgment or estimation. As of December 31, 2019, and 2018, the Plan did not have such assets.

The following is a description of the valuation methodologies used for instruments measured at fair value:

Shares of the Company's : valued at quoted closing market prices ("Level 1").

~~Money Market~~ *Instruments* stated at fair value, which approximates cost plus accumulated interest earnings less distributions to date ("Level 1").

Pooled Separate Accounts stated at readily determinable fair value. The fair value is determined by the issuer and is valued daily using publicly available quoted market prices matched with the current underlying investment holdings of the accounts ("Level 2").

The estimated fair value is subjective in nature and involves uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could affect these fair value estimates. fair value estimates do not take into consideration the value of future business and the value of assets and liabilities ~~The~~ are not financial instruments.

There were no transfers into or out of Level 1 and Level 2 fair value measurements during the years ended December 31, 2019 and 2018.

THE ORIENTAL BANK CODA PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2019 AND 2018 AND YEAR ENDED DECEMBER 31, 2019

The following tables set forth by level, within the fair value hierarchy, the Plan's
 December 31, 2019 and 2018:
 fair value measurements at

December 31, 2019				
Fair Value				
	Level 1	Level 2	Level 3	Total
Cash and money market instruments	\$ 222,865	\$ -	\$ -	\$ 222,865
Common stock	6,189,993	-	-	6,189,993
Pooled separate accounts				
	-	20,526,364	-	20,526,364
Hybrid (a)	-	5,039,106	-	5,039,106
Bond (b)	-	1,928,406	-	1,928,406
International Equity (c)	-	13,251,803	-	13,251,803
Equity - Large Cap (d)	-	2,780,446	-	2,780,446
Equity - Mid Cap (e)	-	2,060,040	-	2,060,040
Equity - Small Cap (f)	\$ 6,412,856	\$ 45,566,165	\$ -	\$ 51,979,021
	\$ -	\$ -	\$ -	\$ -
December 31, 2018				
Fair Value				
	Level 1	Level 2	Level 3	Total
Cash and money market instruments	\$ 5,576	\$ -	\$ -	\$ 5,576
Common stock	4,548,003	-	-	\$ 4,548,003
Pooled separate accounts				
	-	15,872,006	-	15,872,006
Hybrid (a)	-	4,603,338	-	4,603,338
Bond (b)	-	1,587,625	-	1,587,625
International Equity (c)	-	10,145,617	-	10,145,617
Equity - Large Cap (d)	-	2,182,299	-	2,182,299
Equity - Mid Cap (e)	-	1,594,118	-	1,594,118
Equity - Small Cap (f)	\$ 4,553,979	\$ 35,985,003	\$ -	\$ 40,538,982
	\$ -	\$ -	\$ -	\$ -

- (a) securities which may include bonds, mutual funds, cash equivalents or other money market instruments.
- (b) the pooled separate accounts in this category primarily invest in U.S. and non-U.S. stocks, and fixed-income stocks, cash equivalents or other money market instruments.
- (c) the pooled separate accounts in this category primarily invest in bonds (at least 80% of total assets), preferred securities of issuers from countries outside of the United States.
- (d) the pooled separate accounts in this category primarily invest at least 80% of assets in equity and debt capitalization companies, and may invest in securities of non-U.S. issuers.
- (e) the pooled separate accounts in this category primarily invest in equity securities of medium and large potential, including foreign equity securities and debt securities.
- (f) the pooled separate accounts in this category primarily invest in domestic equity securities with growth Cap 1750 Index and the Russell 2000 Value
- The pooled separate accounts in this category primarily invest in common stocks contained in both the Small Cap 1750 Index and the Russell 2000 Value.
- Investments can be redeemed with no advance notice on any day on which the New York Stock Exchange is open for trading.

THE ORIENTAL BANK CODA PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2019 AND 2018 AND YEAR ENDED DECEMBER 31, 2019

(4) Stable Value Fund

Transamerica offers a stable value fund that the participant may elect to transfer all or part of his or her funds. The stable value fund is considered a fully benefit-responsive investment contract. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits. Contract value, as reported by Transamerica, is the beginning balance plus any deposit and credited interest, less any withdrawals, charges, or expenses, a measurement that approximates fair value. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against contract value for credit risk of Transamerica or otherwise. The contract value of the investment contract at December 31, 2019 and 2018 fund invests in Guaranteed Investment Contracts (“GICs”). These investments seek to protect against any loss of principal and provide returns in excess of money market funds and one-year U.S. Treasury bills. The investment has a portfolio investment rate design in which all deposits are credited with the same interest rate, on a daily basis, respectively. The effective month. Contract charges may reduce this return. The Transamerica stable value fund is not a separate account credited to the participant's monthly statement of Transamerica's financial statements.

Certain events limit the ability of the Plan to transact at contract value with Transamerica. Such events include the following: (1) the Plan is changed so as to significantly affect Transamerica's contract can no longer be treated as a pension plan contract, (3) the Plan is terminated, (4) failure to comply with the obligations required under ERISA to provide information, (6) the sum of the contract account values at any time equals \$20,000 or less, or (7) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The plan administrator is not aware of any events, which would limit the Plan's ability to transact at contract value with participants that are probable.

(5) Other assets

Transamerica rebates certain amounts to the Plan based on a fee concession. The rebate amount at December 31, 2019 and 2018 is equal to 34 and 14 basis points, respectively, per year based on the balances with Transamerica. This rebate is calculated on a monthly basis and credited to the Expense Budget Account; a suspense account used by Transamerica.

The Expense Budget Account may be used for plan expenses or allocated to participants as additional income. During the years ended December 31, 2019 and 2018, the Plan reallocated to participants approximately \$31,000 and \$22,000, of approximately \$177,000 and \$31,000, respectively, included as other assets in the statements of net asset available for benefit.

As of December 31, 2019, and 2018, the Expense Budget Account maintained a balance

THE ORIENTAL BANK CODA PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2019 AND 2018 AND YEAR ENDED DECEMBER 31, 2019

(6) Related-Party Transactions

Certain Plan investments are shares of the Company's common stock. The Employer is the Plan sponsor and trustee and a wholly owned subsidiary of the Company and, therefore, qualifies as a party in interest. At December 31, 2019 and 2018, the Plan held an investment of 262,176 and 276,306 shares of the Company's common stock, respectively. The fair value of the common stock at December 31, 2019 and 2018 was \$6,189,993 and \$4,548,003, respectively.

Transamerica serves as custodian and manages the pooled separate accounts and stable value fund, therefore, qualifies as party in interest. Transamerica contracted Oriental Insurance, LLC, a subsidiary of the Company, insurance agent. Another party in interest to the Plan is MidAtlantic, which serves as the custodian for the Plan. as the

The recordkeeper of the Plan is Oriental Pension Consultants, Inc. ("OPC"), a subsidiary of the Company. Fees charged by OPC for services provided were assumed by the Employer.

(7) Income Taxes

The trust that forms part of the Plan (the "Trust") is intended to be exempt from Puerto Rico and U.S. federal incomes taxes pursuant to the PR Code and the US Code, respectively. 2014 that the Trust constitutes a qualified trust under Section 401(a) of the US Code, and, therefore, the Trust is not subject to the PR Code and the US Code. On March 31,

plan pursuant to the provisions of Section 1081.01 of the PR Code and, therefore, the Trust is not subject to Puerto Rico tax. The PR Treasury ruled on March 28, 2018 that the Plan constitutes a qualified plan and the US Code to maintain its qualification.

Applicable compliance requirements and, therefore, with the provisions of the PR Code and the US Code. The Plan administrator believes that the Plan is designed and

U.S. generally accepted accounting principles require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS and the PR Treasury.

uncertain tax positions taken or expected to be taken that would require recognition or disclosure in the financial statements. As of December 31, 2019, and 2018, there are no

progress for any tax periods. The Plan is no longer subject to income tax examinations for the years prior to 2015. The Plan is subject to routine audits by taxing jurisdictions.

(8) Excess Contributions Payable to Participants

However, there are currently no audits in progress. The Plan is subject to certain non-discrimination rules under the PR Code. As of December 31, 2019, the Plan failed certain of the non-discrimination tests under the PR Code due to lower contribution percentages by non-highly compensated eligible employees relative to the contribution percentages of highly compensated eligible employees. In order to meet the requirements of the non-discrimination rules, the Plan refunded a portion of the contributions made by highly compensated participants, in accordance with applicable provisions of the PR Code. The refund for 2019, paid in March 2020,

available for benefits. For the year ended on December 31, 2018, the Plan was in compliance with all of the non-discrimination tests and included the

(9) Non-Exempt Prohibited Transaction

From December 31, 2017 through December 31, 2018, Oriental Bank engaged in certain prohibited transactions under ERISA in connection with Plan assets. As a result of such transactions, Oriental Bank benefited from the use of Plan assets for its own benefit. Oriental Bank engaged in certain prohibited transactions with the Plan.

Oriental Bank remitted \$567,528, including interest, to the Plan and allocated this amount to Plan participants in May 2020 as remediation for said transactions. It is recorded as an account receivable in the Plan's statement of net assets available for benefits.

THE ORIENTAL BANK CODA PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2019 AND 2018 AND YEAR ENDED DECEMBER 31, 2019

(10) Subsequent events

On March 11, 2020, the World Health Organization (WHO) classified the COVID-19 outbreak as a pandemic, triggering volatility in financial markets and a significant negative impact on the global economy. The values of the Plan's investments, including the COVID-19 response and changing market conditions and the amount of losses that will be recognized in subsequent periods cannot be determined. The full impact of the COVID-19 outbreak continues to evolve as of the date of this annual report.

The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was enacted on March 27, 2020 in the United States. The CARES Act offers relief provisions to tax-qualified retirement plans and their participants. Plan management has adopted certain relief provisions included in the CARES Act and continues to evaluate provisions in relation to the Plan.

The Plan was amended to allow eligible plan participants, and COVID-19 eligible distributions from February 20, 2020 through June 30, 2020 pursuant to PR Treasury Administrative Determinations 2020-02 and 20-23. The qualified eligible distributions, which are available only in a lump sum payment, are limited to \$100,000 overall and receive a favorable tax benefit under said administrative determinations. In particular, the first \$10,000 is exempt from income taxes and the alternative minimum tax (AMT) under the PR Code and the amount over \$10,000 up to \$100,000 is subject to a flat 10% income tax rate if the tax is withheld at the time of the distribution.

The Plan has evaluated subsequent events from the date of the statement of net assets available for benefits through June 26, 2020 (the filing date of this annual report).

SCHEDULE I

THE ORIENTAL BANK CODA PROFIT SHARING PLAN

Schedule G, Part III - Nonexempt Transactions

For the year ended December 31, 2019

<i>Party involved:</i>	Oriental Bank
<i>Relationship to Plan, employer or other party in interest:</i>	Plan Sponsor
<i>Transaction:</i>	Reimbursement of Commissions
<i>Amounts of Payments:</i>	\$567,528

Reason Transaction is Nonexempt:

Transaction with a party-in-interest.

See the accompanying report of independent registered public accounting firm.

SCHEDULE II

THE ORIENTAL BANK CODA PROFIT SHARING PLAN
 Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
 December 31, 2019

(a)	(b)	(c)	(d)	(e)
lessor, or	Identity of issue, borrower,	Description of Investment, including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current value
	Participant directed:			
*	OFG Bancorp	OFG Bancorp: Common Stock	262,176 shares	** \$ 6,189,993
*	Transamerica	Pooled Separate Accounts:		
		Transamerica AA - Moderate	473,180 units	** 11,947,896
		WMC Core Equity	371,350 units	** 6,737,186
		AEGON Balanced	43,323 units	** 4,994,399
		SSgA Russell Lg Cap Grth Ind	200,972 units	** 5,540,224
		American Century Government Bond	118,035 units	** 2,445,641
		Franklin Small-Mid Cap Growth	67,222 units	** 2,780,446
		SSgA International Index	57,959 units	** 1,928,406
		SSgA Russell SC Value	14,421 units	** 1,477,859
		Transamerica AA - Moderate Growth	50,311 units	** 1,334,895
		Loomis Sayles Investment Grade Bond	27,787 units	** 1,251,927
		Transamerica AA - Growth	42,937 units	** 1,190,890
		SSgA Russell LC Value	24,918 units	** 892,626
		Transamerica AA - Conservative	44,245 units	** 1,058,284
		Transamerica Partners High Yield	14,374 units	** 685,101
		Loomis Sayles Bond	8,062 units	** 656,437
		Vanguard	1,874 units	** 512,741
		Invesco American Value	4,143 units	** 81,767
		Small-Cap Index	1,251 units	** 69,440
				45,586,165
		Small- Cap Grth Idx		
	Cash and money markets	Cash and Bank Deposit Sweep Program	**	222,863
	Fully benefit-responsive investment contract:			
*	Transamerica	Transamerica Stable Value	322,861 units	** 6,565,321
	Other assets:			
*	Transamerica	Expense budget account	—	176,535
*	Participant Loans	Notes, with interest rate of 9.5%; maturities ranges through 2032	—	7,227
				\$ 58,748,104

* Party-in-interest as defined by ERISA
 ** Not applicable as these are participant directed.

See the accompanying report of independent registered public accounting firm.

INDEX OF EXHIBITS

Exhibit No.
[REDACTED]

[23.1](#)

Description of Document
[REDACTED]

[Consent of KPMG LLP](#)

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

THE ORIENTAL BANK CODA
PROFIT SHARING PLAN
(Name of Plan)

[Redacted]

Date:

[Redacted]

[Redacted]

~~March 26, 2020~~
Mehmet Akinci
Executive Vice President and
Chief Financial Officer

/s/ Juan J. Santiago
Senior Vice President and Trust
Officer

[Redacted]

Section 2: EX-23 (EXHIBIT 23.1)

EXHIBIT 23.1

I. CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

OFG Bancorp 1165(e) Retirement Plan Committee
The Oriental Bank CODA Profit

We refer to the incorporation by reference in the Bancorp of our report dated June 26, 2020, with respect to the financial statements of OFG Bancorp 1165(e) Retirement Plan Committee for the period from January 1, 2019, to December 31, 2019, and Schedule 990 and 990-E filed with the Internal Revenue Service on January 20, 2020, as amended, and the annual meeting of the Plan Committee held at the end of year as of December 31, 2019, in connection with the 11-K report filed with the SEC.

The Oriental Bank CODA Profit
June 26, 2020



