



BUSINESS MEMBERSHIP TERMS & CONDITIONS / ACCOUNT AGREEMENT

This Business Membership Account Agreement is between a business existing as an authorized business organization and you, the member, and Bulldog Federal Credit Union ("Credit Union"), regarding your business accounts with the Credit Union. By establishing a business account with the Credit Union, you agree that this Agreement is a binding contract between you, your business and the Credit Union.

You should retain a copy of the agreement and feel free to call the Credit Union if you have any questions. In addition to your agreement with the terms and conditions set forth in this document, by establishing an account with the Credit Union you acknowledge receipt of and agree to the various terms separately provided to you with regard to Truth in Savings, Availability of Funds, and Electronic Fund Transfers (EFT) and Wire Transfer Disclosures. The various terms and conditions set forth in those documents are incorporated into this Agreement by reference. You also agree to abide by the Bylaws of the Credit Union.

This Agreement and those documents discussed above include certain disclosures required under the Truth-In-Savings Act and National Credit Union Administration and Federal Reserve Board regulations and commentary, the Electronic Fund Transfer Act (Regulation E), the Maryland Electronic Funds Transfers Act, the Funds Availability Act (Regulation CC), Regulation D, and Uniform Commercial Code Article 4A.

Throughout this Agreement, the words "you" and "your" mean the member and any joint members or co-depositors or co-borrowers. The words "we", "our", "us", and "Credit Union" mean Bulldog Federal Credit Union.

MEMBERSHIP

Membership Eligibility. The Credit Union serves in its field of membership those applicants within the Bulldog Federal Credit Union's common bond as defined in the Credit Union's Charter. You can join if you live, work, worship, or attend school in Washington County, Maryland, or if you are related by blood or marriage to a current member or to anyone who is eligible to be a member. You are also eligible for membership if you: (1) are in the immediate family or household of a current member or anyone who is eligible for membership; (2) you represent a business or other legal entity in Washington County, Maryland; (3) you are a volunteer in the Washington County community; or (4) if you are an employee of this Credit Union. Please review our Membership eligibility on the Bulldog Federal Credit Union website at: <http://www.bdfcu.com/portal/home.html> for a complete listing of eligible groups. *Corporations, organizations, partnerships, institutions, associations and other business entities of any kind, whether incorporated or not incorporated, their subsidiaries, successors, affiliates and divisions, which have a place of business in the county identified above, are also eligible for Membership.*

Becoming a Member. To become a member of the Credit Union, you must complete a Member Application and Signature Card and open a Regular Share Account. The basic share deposit that you must always keep in your Regular Share Account is \$25.00.

Credit Information. You authorize the Credit Union to investigate your credit standing and that of your business(es) when opening or reviewing any Loan or Deposit Account. We may report information about your individual and business loan account(s) to credit bureaus. Late payments, missed payments, or other defaults on your loan account(s) may be reflected in your credit report. You also authorize the Credit Union to disclose information regarding your Account to credit bureaus and creditors who inquire about your credit standing.

Deposits Generally. After you have established your Regular Business Share Account, you may make additional deposits into that account, or establish other types of accounts as described herein, at any time and in any amount. Your accounts are not transferable except on the Credit Union's books and records. We may establish minimum amounts for deposits in your Regular Business Shares Account or any other accounts you have with the credit union.

You can make business deposits in person or by mail. You must make these requests in writing by completing a separate request. At the present time, you can arrange to have one or more of the following deposits made directly to your accounts: (1) payroll deduction deposits, (2) net pay deposits, (3) Social Security deposits, (4) pension plan deposits, (5) stock dividends or (6) other miscellaneous deposits. If you have an automatic teller machine (ATM) card or a debit card for your business account, you can also make a deposit through one of the automated teller machines equipped to accept deposits.

If you have arranged to have direct electronic fund transfer deposits made to your account, you can call (301) 797.6318 to find out whether or not the deposit has been made. In addition, you will receive an account statement showing all such direct deposits at least monthly. Your account statements will be admissible as evidence of the electronic fund transfer deposit or other transaction they represent in any action in a court of law.

All deposits into any credit union account are subject to proof and verification. If you deposit a check, draft or other non-cash item, we have the right to clear it before we make the money available to you subject to applicable federal regulations. If there are special fees for collecting your deposit, you promise to pay them (see the Truth in Savings Fee Schedule for a list of fees). We may deduct such charges directly from your account. If we feel there is a reason to do so, we may refuse, limit or return any deposit. We have the right to refuse to accept any deposit and we specifically reserve the right to refuse to accept checks for deposit that have more than one endorsement. We reserve the right not to pay interest on amounts subject to garnishment, levy or other legal process; and we reserve the right not to pay interest on any deposit that is returned to us unpaid by the financial institution on which it is drawn (even if that means a reversal of credited interest).

All negotiable instruments presented for deposit must be in a format that can be processed and/or photographed. The Credit Union may refuse to accept any check or draft that does not meet this requirement. All endorsements place on the reverse side of any check or draft which you deposit to your account must be placed so that they are on the left side of the item when looking at it from the front and must be placed so they do not go beyond an area located 1 and 1/2 inches from the left edge of the item when looking at it from the front. The Credit Union may refuse to accept any item that does not meet this requirement, and, if the credit union does accept it, you agree that you are completely responsible for any loss we incur which is premised on an endorsement not meeting this requirement, including any court costs and reasonable attorney fees. You warrant that all endorsements on any check or other negotiable instrument deposited into an account is authentic and without recourse.

Withdrawing Money from Your Business Share Draft Account. As long as you have money in your Business Share Draft Account, and subject to any applicable state or federal laws and regulations, available funds can be withdrawn from your account by written draft or any other method approved by the Credit Union. Business Share drafts must generally be ordered through the Credit Union. If share drafts are not ordered through the Credit Union, the Credit Union will assess a fee whenever problems in clearing such drafts in an automated fashion arise. When you order share drafts through the Credit Union, the Credit Union will charge your business account for the costs of said business share drafts, which costs vary depending on the style of business drafts ordered. You may select business drafts from the current styles available.

Acceptance of Fees and Charges. Any Account may be subject to service charges in accordance with the fee schedule adopted by the Credit Union from time to time. You should refer to the Truth in Savings Fee Schedule for a list of fees. These fees may be changed at our discretion. We will provide you notice of such changes in accordance with law.

Transaction Limitations. Except with respect to your Business Share Draft Account and any Individual Share account, during any statement period, you may not make more than six transfers or withdrawals, or a combination of such transfers and withdrawals, from any account to another account or to a third party by means of a preauthorized or automatic transfer or telephonic agreement, order or instruction, and no more than three of the six such transfers may be made by check, draft, debit card, Internet transfer or similar order. If you exceed the transfer limitations set forth above in any month with respect to one of your accounts, your account may be charged additional fees for any additional transactions, or that account will be subject to

closure by the Credit Union. Please refer to the Truth-in-Savings Disclosure for more information regarding transaction limitations. The Credit Union reserves the right to require not less than 7 days advance notice nor more than 60 days advance notice from you of any withdrawals.

Power of Attorney. Only authorized principal(s) of a business may act on behalf of a business account, although you may appoint an agent as your Attorney-in-Fact with a Power of Attorney document if we accept the documentation presented for such an appointment to conduct your business account access and, we may accept such an authorization for transactions without further communication to you. Unless your Power of Attorney document specifically prevents you from entering into transactions, we may accept either your business or personal transactions and/or those authorized by your appointed "Agent" for conducting business. The Credit Union reserves the right to refuse to act upon these instructions if the Credit Union is not reasonably certain that the power of attorney is valid and covers the transaction(s) requested. However, you agree to hold the Credit Union harmless for any loss or damage you may incur as a result of our decision to follow the instructions given by the Power of Attorney, as long as the Credit Union's decision is made in good faith.

Special Terms Regarding Business Draft Accounts

Deposits Generally. Once you have established your "Business Share Account" (business checking account), you may make additional deposits into that Account at any time and in any amount subject to the terms of this Agreement. The above terms regarding "deposits generally" also apply to Business Share Draft Accounts, except as they may be modified by this section. All drafts drawn on your Business Share Draft Account may be returned by us unpaid for any reason that drafts are normally returned, such as, for example, insufficient funds, uncollected funds, or litigation.

Minimum Balance. There is no minimum amount required to open or maintain a "Business" Share Draft (Checking) Account.

Payment of Share Drafts. The Credit Union is under no obligation to pay a business share draft which is more than 6 months old. Except for negligence, the Credit Union is not liable for any action it takes regarding the payment or non-payment of a business draft.

Dividends. The Credit Union does not pay dividend or interest on its regular "Classic" Share Draft Accounts, however the Credit Union may pay dividends on the Business Share Draft Account, subject to minimum balance requirements and other restrictions.

Funds Availability. Funds from deposits you make into your Share Draft Account may not always be immediately available. Refer to our Funds Availability disclosure for more details.

The use of the Share Draft Account is subject to our terms, conditions and requirements as the Credit Union may establish from time to time.

Fees. As with all other accounts, your Share Draft account may be subject to service charges in accordance with the fee schedule adopted by the Credit Union from time to time. You should refer to the Truth in Savings Fee Schedule for a list of fees. These fees may be changed at our discretion.

Overdraft(s). The Credit Union is under no obligation to pay a business share draft you have written if it would result in this Business Share Draft Account being overdrawn (a draft written against your Business Share Draft Account when insufficient available funds are on deposit in the account is known as an NSF Business Share Draft), however you agree to reimburse the Credit Union for funds advanced if the Credit Union does pay a Business share draft or other authorized transaction from your account(s), including any fee applicable for such an overdrawn account. You agree for yourself and the person or entity you represent if you sign as representative of another, to the terms of this account and the schedule of charges. You authorize us to deduct these charges directly from the account balance as accrued. You will pay any additional reasonable charges for services you request that are not covered by this agreement. You authorize us to deduct these charges directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement.

If this is a joint account (that is, if two or more people are co-owners of the account), all of the joint owners are jointly and severally liable to repay the Credit Union the amount of any overdraft and service charges, regardless of which party writes the draft that creates an overdraft and regardless of which party benefits from the overdraft. Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to demand payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft. This includes liability for our costs to collect the deficit including, to the extent permitted by law, our reasonable attorneys' fees.

Business Involuntary Account Closing. The Credit Union reserves the right to close a Business share draft account if:

- the account is overdrawn three or more times in a 90-day period;
- Failure to maintain the \$25.00 minimum balance in the primary share account.
- Non-compliance with the policies adopted by the Board of Directors.
- Determination that kiting is occurring on an account.
- Not meeting other obligations with the Credit Union.

Truncated Drafts. Your canceled Business share drafts will not be returned to you; they will become Credit Union property and be held by us ("truncated") for you. Your monthly statement will itemize your canceled drafts by number, date of clearing, and the amount of the draft.

Stop Payments

Stop Payment Order Request. You may request a stop payment order on any Business share draft drawn on your account. To be binding, an order must be dated, signed, and describe the account and draft number and the exact amount. The stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order and you state the number of the account, number of the draft, and its exact amount. You understand that the exact information is necessary for the Credit Union's computer to identify the Business share draft. If you give us incorrect or incomplete information, we will not be responsible for failing to stop payment on the draft. If the stop payment order is not received in time for us to act upon the order, we will not be liable to you or to any other party for payment of the draft. If we re-credit your account after paying a draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer to us all of your rights against the payee or other holders of the draft, and to assist us in any legal action.

Duration of Order. A stop payment order is effective for six (6) months and may be renewed in writing from time to time. We do not have to notify you when a stop payment order expires.

Liability. Fees for stop payment orders are set forth on the Truth in Savings Rate and Fee Schedule. You generally may NOT stop payment on any certified check, teller's check or any other check, draft, or payment guaranteed by us. Even if payment of such an item is stopped, you may remain liable to any item holder, including us. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees, damages or claims related to our refusing payment of an item, including claims of any multiple party, account owner, payee, or endorser in failing to stop payment of an item as a result of incorrect information you provided the Credit Union.

Payment of Business Share Drafts after Death. The Credit Union may, after the date of your death, pay Business share drafts drawn before death unless ordered to stop payment by the Account Representative or other appropriate person claiming an interest in the account.

Accounts for Corporations, Partnerships, Limited Liability Companies And Other Organizations, Incorporated or Otherwise

This section of the Agreement is designed to allow certain businesses and other entities as more fully described below to join Bulldog Federal Credit Union and to obtain various financial products and services offered by the Credit Union. Throughout this section, the words "you", "your", "organization", and "business" mean the business or other entity that is joining the credit union.

A corporation is eligible for membership in the Credit Union if the group of shareholders of the corporation is composed for the most part of individuals who are also members of the Credit Union.

A partnership is eligible for membership in the Credit Union if the partners of the partnership are for the most part individuals who are also members of the Credit Union.

A limited partnership is eligible for membership in the Credit Union if the general partner of the limited partnership is a member of the Credit Union, and the limited partners of the partnership are for the most part individuals who are also members of the Credit Union.

A limited liability company (LLC) or a professional limited liability company (PLLC) is eligible for membership in the Credit Union if the group of shareholders (also known as members) of the LLC or PLLC is composed for the most part of individuals who are also members of the Credit Union.

A sole proprietorship is eligible for membership in the Credit Union if all of the owners of the sole proprietorship are also members of the Credit Union. If this account is established for a sole proprietorship, you agree that this account is not primarily for personal, family, or household purposes.

Other organizational structures, incorporated or otherwise, may be eligible for membership in the Credit Union if those organizations are composed, for the most part, of individuals who are also members of the Credit Union.

No organization, incorporated or otherwise, shall be eligible for membership in the Credit Union without substantiating its legal existence, to the reasonable satisfaction of the Credit Union, by providing such documentation as the Credit Union may, from time to time, require, including, but not necessarily limited to, the Certificate of Organization on file with the State of Maryland or the State of incorporation, the most recent Certificate of Good Standing on file with the State of Maryland or the State of incorporation, and such Resolutions as may be required by the Credit Union. We reserve the right to require that you provide, and you agree to provide, any such documentation at any time.

The Credit Union reserves the right to refuse membership to an organization when such organization has not been created with, has not been properly registered with, and is not governed by the laws of the State of Maryland.

While generally the individuals who comprise an organization, incorporated or otherwise, shall not be joint owners on an account created for the organization, each of the individuals of the organization signing the Business Membership Card personally guarantees any obligation created by the organization owing to the Credit Union as a result of the establishment of a membership in the Credit Union for the organization.

The following types of financial products and services will be available to organizations:

SAME BUSINESS SERVICES AS AVAILABLE TO INDIVIDUAL ACCOUNTS

To the extent applicable and not superseded herein, the terms and conditions governing those types of account and services govern accounts and services provided to organizations.

You understand and agree that the Credit Union may distribute funds pursuant to the terms of the most recently dated Resolution on file at the Credit Union, and the organization, all of its organizers, shareholders, partners, and/or members forever indemnify and hold the credit union harmless for distributions made in good faith pursuant to that Resolution. You further agree that it is your responsibility to notify the Credit Union when the terms of that Resolution have been revoked, rescinded, revised, or in any way modified.

Other Terms and Conditions

Business Account(s) may be maintained by one of the following types of business entities.

Corporate, LLC, PC, and PLLC Account(s). A corporation is a legal entity entirely separate from its shareholders or officers. The corporation's board must authorize the establishment of an account and designate the officers authorized to sign on behalf of the corporation. A corporate resolution which names the duly authorized signatories for the corporation must accompany an Application for Membership and Account Agreement which is submitted on behalf of a corporation. Generally documents executed by the officers, in their capacity as officers, only obligates the corporation and do not obligate the shareholders or the officers individually, even if the officer is the sole owner of the corporation. The corporation does not have voting rights in the Credit Union. Any shareholder, director or officer of the corporation who wishes to vote must establish an individual membership in the Credit Union.

If you are a corporation or limited liability company (LLC), you agree that the account is payable only to or on the order of the corporation or LLC and not, except as they may be a payee on a check or other item drawn on the account, to any individual director, shareholder or member thereof.

You further represent that all resolutions delivered to the Credit Union in connection with the account are true, accurate and complete and will be kept up-to-date and may be conclusively relied upon. On any transaction involving the account, the Credit Union may act upon the instructions of the person(s) authorized in the resolutions to act on behalf of the corporation or LLC. You agree to give the Credit Union advance written notice of any change in your form of ownership. You also agree that the Credit Union is not obligated to cash checks payable to you or to accept "less cash" deposits.

To establish a corporate account, the Credit Union may require copies of the following documents as applicable: (1) Articles of Incorporation and (2) Corporate resolutions.

To establish a limited liability company account, the Credit Union may require copies of the following documents as applicable: (1) Articles of Organization, (2) Operating Agreement, (3) a Fictitious Name Certificate or Statement, (4) a certificate of Assumed Name or (5) a Business License.*

*Limited Liability Companies must include LLC in the account title.

Partnership Account(s). A partnership is an association of two or more persons who are co-owners of a business for profit. A partnership may exist under a written or oral agreement or through an implied agreement. Partnerships are more stringent business organizations than sole proprietorships and each partner can be held liable for the partnership debt in the event of default.

The partnership does not have voting rights in the Credit Union. Any partner who wishes to vote must establish an individual membership in the Credit Union.

If you are a partnership, including a limited partnership, limited liability partnership (LLP) or joint venture, you agree that the account is payable only to or on the order of the partnership, LLP or joint venture and not to any individual partner. However, a partner may be a payee on a check or other item drawn on the account. On any transactions involving the account, the Credit Union may act upon the instructions of the person(s) authorized in the certificates or resolutions to act on behalf of the partnership, LLP or joint venture. You agree to give the Credit Union advance written notice of any change in your form of ownership.

To establish a partnership account, the Credit Union may require copies of the following documents as applicable: (1) a Partnership Agreement (if there is no agreement, a written statement to that effect signed by all the partners), (2) a Fictitious Name Certificate or Statement, (3) a certificate of Assumed Name, (4) a Business License, (5) a Limited Partnership Agreement filed with the state of Maryland and (6) a Limited Partnerships Certification of partnership information filed with the state of Maryland* and (7) LLP registration form filed with the state of Maryland.** *A limited partnership must include "limited partnership" or "LP" in the legal name. **A limited liability partnership must include "LLP" in the account title.

Sole Proprietorship Accounts. A sole proprietorship is the simplest and most common form of a business entity. It consists of one individual (or a married couple) in business for him or herself. Legally, the sole proprietor and his or her business enterprise are one entity. There is no legal distinction

between personal debt and business debt. A sole proprietor is treated as an individual and must be within the field of membership. A sole proprietor may vote in Credit Union elections. As such, a sole proprietor has voting rights in the Credit Union in accordance with the Credit Union bylaws.

The Credit Union classifies all sole proprietorship accounts as either individual or joint accounts. All joint Business accounts are classified as Joint Tenancy with Right of Survivorship. A joint sole proprietorship account is in the names of two married individuals who have undivided ownership with the right of survivorship. Should any joint account owner die, the other account owner will automatically own all monies in the account, which will not be subject to the terms of a will or probate proceeding on the estate of the deceased. If any joint account owner dies, the Credit Union should be promptly notified in writing.

Any one of the joint account owners has the power to act in all matters relating to the account, such as deposits, withdrawals and pledge of account as security on a loan. However, no joint owner of an account may vote, obtain loans individually, or hold office unless they are a member in their own right.

If you are a sole proprietor, you agree upon your death that your estate shall release and indemnify the Credit Union for any payment made at the direction of an authorized signer on your account, provided the Credit Union has not received written notice of your death.

If you are doing business under an assumed name, you represent and agree that you have properly filed all assumed name certificates or other documents required by Maryland state law. You agree to give the Credit Union advance written notice of any change in your form of ownership.

To establish a sole proprietorship account, the Credit Union may require copies of the following documents as applicable: (1) a Fictitious Name Certificate or Statement, (2) a certificate of Assumed Name and (3) a Business License.* *If opening a joint account, proof of marriage is required.

Unincorporated Association Account & Non-Personal Account(s). Such an account is usually issued in the name of a club or league. We reserve the right to require the governing body of the club or league to give us a separate authorization telling us who is authorized to act on its behalf. We will honor such an authorization until we receive written notice of a change in authorization from the governing body. The signers on this account represent that they are authorized to enter into this agreement to open the account.

The signers on these accounts do not have voting rights in the Credit Union. Any member of the association who wishes to vote must establish an individual membership in the Credit Union.

You agree that the account is payable only to or on the order of the association and not, except as they may be a payee on a check or other item drawn on the account, to any member thereof. You further represent that the association has taken all action and that all documentation delivered to the Credit Union is true, accurate and complete and will be kept up-to-date and may be conclusively relied upon by the Credit Union. On any transaction involving the account, the Credit Union may act upon the instructions of the person(s) authorized in the documentation to act on behalf of the association. You agree to give us advance written notice of any change in your authorization. You also agree that the Credit Union is not obligated to cash checks payable to you or to accept "less cash" deposits.

Authorized Signers. The Credit Union may rely upon any signature on the business account application or signature card (an "authorized signer") in the payment of funds and in all other transactions and instructions in connection with an account. Payment to any one of the authorized signers shall be valid and shall discharge the Credit Union from all further liability for such payment. All members agree to sign a new business account application upon request. The member may add, remove or change the status of authorized signers after compliance with applicable Credit Union procedures and upon presentation of the appropriate form required by the Credit Union. Such action must be executed in writing by the member and shall not effect transactions made within 2 business days of receipt of notice by the Credit Union. If an authorized signer is deleted from the account, any checks in the signer's possession that are presented for payment may be honored by the Credit Union. Accordingly, the member shall be solely responsible for recovering any checks in the possession of the signer whose name is deleted from the account signature card.

Each joint account owner shall have equal access to the account.

The use of a Personal Identification Number (PIN) or other authorized device by which funds in the account may be accessed by you, such as by ATM Card, VISA Check Card with ATM access, audio response service, or Internet Banking service, shall have the same force and effect as your signature. If you authorize us to issue a duplicate ATM Card or VISA Check Card to someone or if you give your Card or PIN to another person, you are authorizing that person to withdraw funds and perform other transactions on your accounts covered by this agreement, regardless of any limits to which you and the authorized user have agreed. Furthermore, you understand that you will be legally responsible for any transaction that person initiates. This rule also applies to any other electronically initiated transfers of funds service that may become available in the future.

We have no duty or agreement to monitor or ensure that the acts of the authorized signers are for your benefit. You agree that the Credit Union may honor and charge against your account any items signed (electronically or otherwise), drawn, accepted, endorsed or authorized by an authorized signer without inquiry as to the circumstances of issue or disposition of the proceeds and regardless of whom such items are payable or endorsed.

You understand that the terms of this agreement apply to any authorized signer and you agree that you are responsible for any transactions involving your account that are performed by an authorized signer.

Facsimile Signatures. If you authorize the Credit Union to honor a facsimile signature, you agree that you shall have the sole responsibility for maintaining security of any such facsimile signature or device and you shall bear the entire risk of unauthorized use thereof whether or not you are negligent.

You agree that a facsimile signature that we have been authorized to honor or that you have used, will not be considered a forgery, unauthorized signature or endorsement, whether or not you have been negligent.

You also agree that we may charge you for all checks, drafts, or other orders for the payment of money that are drawn on us, regardless of by whom or by what means the facsimile signature(s) have been affixed, so long as they resemble the facsimile signature filed with us and contain the required number of signatures for this purpose.

You further agree to indemnify and hold the Credit Union harmless from and against any and all loss, costs, damage, liability or expense, including attorneys' fees, which we may suffer or incur as a result of the unlawful or unauthorized use of any facsimile signature.

Missing Endorsements. The Credit Union is authorized to supply any of your endorsements on any check or other instrument tendered for any account, and the Credit Union shall have no liability in connection with the collection of such items that are handled by it without negligence, and the credit union shall not be held liable for the acts of any agents, subagents or others. We may accept transfers, checks, drafts and other items for deposit into your account(s) if they are made payable or to the order of one or more account owners, even if they are not endorsed by all payees. Withdrawals may not be made on account of such items until collected, or as otherwise provided by law. Any amount not collected, or later returned, may be charged back to the account, including expense incurred, and any other outside expenses incurred relative to the account may be charged to it.

Identification. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. When you open an account we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

Account Verification Through a Consumer Bureau. We will verify your application for membership through an account verification service and reserve the right to deny any application based on the results of negative information received through this service. If we deny your application, we will provide you with the name, address and telephone number of the account verification service that provided us with the information and any other information as required by applicable law.

Suspension and Denial of Services and Expulsion. The Credit Union reserves the right to suspend or deny services and may restrict access to Credit Union premises if: (1) you cause a loss to the Credit Union, (2) you habitually mishandle your account(s), (3) you are abusive or threatening toward Credit Union employees or members, (4) you deface, destroy or attempt to deface or destroy Credit Union property, (5) you have been convicted of a criminal offense, (6) you fail to carry out your contracts, agreements or obligations with the Credit Union or (7) you refuse to comply with the provisions of the Maryland Credit Union Law or the Credit Union's bylaws.

You warrant and agree that you will not use Credit Union accounts or services, included but not limited to loans, to make or facilitate any illegal transactions as determined by applicable law; and that any such use, including any such authorized use, will constitute an event of default under this agreement. You agree that the Credit Union will not have any liability, responsibility or culpability whatsoever for any such use by you or any authorized user. You further agree to indemnify and hold the Credit Union harmless from any lawsuits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use. In addition, you authorize us to debit from your account without prior notice any costs, losses or expenses incurred by us as a result of your failure to comply with the terms of this agreement.

In addition you agree that we may terminate this agreement and any other service described herein at any time upon written notice.

You can terminate any of the services provided for in this agreement by notifying us in writing. If you ask us to terminate your account or the use of any service, you will remain liable for subsequent transactions performed to your account by you or any other parties authorized by you. Termination of this agreement will not effect your rights and responsibilities for transactions initiated before termination.

Pledges of Shares. You acknowledge and agree that you are pledging all or any part of the shares or funds in any accounts as collateral security for a loan or loans with the Credit Union. We reserve the right to exercise this pledge of shares or funds for liabilities owed to us against any account held by you individually or jointly with any other person(s) to the fullest extent permitted by law.

Federal Insurance - National Credit Union Administration (NCUA). Generally, your accounts at the Credit Union are insured in the aggregate to \$250,000 by the NCUA, a U.S. government agency. If you have questions about the protection on your accounts or the coverage, a NCUA brochure, which explains insurance coverage, is available at any branch office or by calling us at: 301.797.6318.

Processing of Negotiable Items. All items accepted for deposit will be handled by the Credit Union as agent for the member(s) and are subject to charge back or refund if final payment is not received in a form acceptable to the Credit Union. If a claim is made that an item has been altered, has bore a forged or unauthorized endorsement or was otherwise un-payable after final payment has been made, the Credit Union may withhold the amount in question from your account until final determination of such claim is made. The law permits us to pay items (such as checks or drafts) drawn on your account in any order.

The Credit Union reserves the right to accept or reject any item submitted for deposit or encashment that appears to be altered, nonnegotiable, not payable to you or that we believe is invalid.

All items received and credited by the Credit Union are subject to final collection and receipt of proceeds credited to the account of the Credit Union. A copy of our Funds Availability Disclosure brochure accompanies this agreement. Please review this document which explains when there may be a delay between the time you deposit funds and the time they are available for withdrawal.

Inquiries. The Credit Union may make any inquiry it considers appropriate for the purpose of evaluating your account. This may include ordering a credit report. You authorize the Credit Union to perform a credit check, obtain a credit report at any time.

Statements. All ACH, ATM, Check Card, Electronic Transfer or Telephone transactions will be reported with your regular account activity on a statement mailed to your address on record. Please inform the Credit Union of any change to your mailing address.

If you have an active Business Checking Account, you will automatically receive a statement each month, even if no ACH, ATM, Check Card, Electronic Transfer or Telephone activity has occurred. If this activity has not occurred, you will receive quarterly statements. If you would like a statement prior to the time one is normally furnished, you may request a printout of your account history. The charge for this special printout service is listed on our fee schedule.

Notice of Name or Address Changes. You are responsible for notifying us of any address or name change. Whenever we are required to send you notice, the Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us in writing. The Credit Union requires all notices of change in address or name to be in writing.

Large Cash Withdrawal Notice. The Credit Union reserves the right to require advance notice for cash withdrawals over \$5,000.00. This may be necessary to ensure availability of cash to all members. Credit Union bylaws permit the right to require sixty (60) days written notice of your intention to withdraw or transfer shares.

Currency Transaction Reporting. Federal regulations require all financial institutions to report certain types of currency transactions to various federal agencies. These reports are designed to aid in the detection and control of currency flow generated from illegal activities.

ELECTRONIC FUNDS TRANSFER

Electronic funds transfers (EFT) are electronically initiated transfers of funds involving an account at the Credit Union. The following disclosure defines both parties' rights and responsibilities. The abbreviation "PIN" or word "code" means a personal identification number. We will notify you of any changes to the information herein as required by applicable law.

ATM/Check Card. If permitted by the Credit Union, Business account holders may make withdrawals by ATM Card at designated ATMs and authorized point-of-sale (POS) terminals, or with a Check Card at designated ATMs, POS terminals or VISA authorized merchants. The use of ATM Cards and Check Cards is governed by separate disclosures.

Electronic Presentment and Payment of Checks. Merchants may present your check electronically for payment instead of sending us the original, paper check. They may also re-present your check electronically, if it is returned unpaid due to non-sufficient funds (NSF). Generally, merchants who use electronic presentment will inform you when you make a purchase. We will debit your account when we receive the electronic check, just as if we had received the original, paper check.

Information provided to a merchant or other payee from your personal check, such as routing, account and serial numbers, may be used to convert your check to an electronic form. This transaction is covered under the provisions and protections of the Electronic Fund Transfers Act, regardless of whether the check is blank, partially or fully completed, whether the check is presented in person, mailed, or sent to a lockbox, or whether the check is retained by the merchant or other payee or returned to you.

Check re-presentments, such as checks returned for non-sufficient funds and subsequently re-presented for payment, wherein the original, paper check was processed are NOT covered under the Electronic Fund Transfers Act.

Preauthorized (ACH) Transactions. Please contact your branch to set up all direct deposits into your account or from your account. Without proper routing codes, direct deposits cannot be processed. The account holder must authorize preauthorized transfers from your account in writing.

Return of Deposits/Closed Accounts. We may, at any time, in our sole discretion, refuse to accept any deposit, or close any or all of your accounts with us without prior notice to you. Provided, however, we may not terminate your membership in the Credit Union without satisfying the notice provisions of the Maryland Credit Union Act and related Bylaw Provisions and regulations. If we close an account, we will notify you and send you a check for any balance in your account after deducting all applicable charges. Any withdrawal that reduces the amount in an account to zero (other than a Share Draft Account) may automatically close that account. We are not liable for any draft, withdrawal or other order after an account is closed.

Any drafts presented after your account has been closed will be returned unpaid. We reserve the right to advise consumer reporting agencies and other third parties of accounts closed for misuse.

Inactive Accounts. The Credit Union will consider your account inactive as defined by Maryland Statute with no deposits or withdrawals on your account. This excludes dividends credited to your account by the Credit Union. Maryland Law requires the Credit Union to turn these funds over to the State after a period of no activity as specified by statute. Before turning funds from inactive accounts over to the State of Maryland, the Credit Union will send notices as required by Maryland law advising you of your rights. The Credit Union reserves the right to assess a periodic fee on those accounts that have not been used for more than 12 months.

Statement(s). If we send you a periodic statement for your Business Share Draft Account, the statement(s) will include all activity on your account as required by law. You will receive a periodic statement (normally quarterly) for your Share Savings Account or other savings accounts, unless you have an electronic funds transfer transaction during a monthly period (in which case you will receive a monthly statement), or you will receive a combined statement on a monthly basis if you have a Share Draft Account or a Business Share Draft Account and other savings accounts. Each such statement shall show the transactions on your accounts and any charges. We reserve the right not to send statements for accounts we consider inactive, or for those accounts on which we do not have a valid address on file. You should examine the periodic statement carefully and reconcile the account. If there are any discrepancies, the Credit Union should be notified immediately. You agree that the time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 30 days from when the statement is first sent or made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, or any other errors in your account within 60 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

If you do not receive a periodic statement when you would normally receive one, you agree to notify us within fourteen (14) calendar days of the time you normally would have received a statement. The Credit Union will not be liable if items were forged or altered such that a reasonable financial institution could not detect the fraud.

Agreement. This Agreement shall be effective and shall govern all deposit accounts with us. By signing a signature card, making deposits or withdrawals, or leaving amounts on deposit, you agree to the terms of this Agreement. This Agreement shall supersede all previous agreements for such accounts.

Amendment. We may change any of the items of this Agreement at any time without prior notice to you if the change is favorable to you. We may make changes that are adverse to you only if we provide you with any notice required by law or required in this Agreement. You may close the account if you do not agree to the changes; if you continue to use the account or keep the account open after the effective date of such change, you will be deemed to have agreed to the changes.

Notice of Amendments. Except as prohibited by applicable law, we may change the terms of this Agreement. We will notify you of any changes in terms or rates as required by law or as required in this Agreement. All notices regarding the account will be posted in our office lobbies or will be sent to you to the address shown on your statement. In the case of joint ownership, notice by or to any one joint depositor shall be deemed notice by or to all. We reserve the right to waive any term in this Agreement. Such waiver shall not affect our right to future enforcement. We reserve the right not to send notice for accounts we consider inactive. Notices to us should be sent to:

Buildings Federal Credit Union
580 Northern Avenue, Hagerstown, Maryland 21742
Phone: 410.797.6300 Fax: 240.420.2000
Email: webpage@bfcu.com

Effect of Notice. Any written notice you give us is effective when we receive it. Any written notice we give to you is effective when it is deposited in the U.S. Mail, postage prepaid and addressed to you at your statement mailing address. Notice to any account owner is considered notice to all account owners.

Indemnity. If by following your instructions we are exposed to a claim or suit by an adverse claimant, you shall hold us harmless and indemnify us from any such losses, expenses, liabilities or damages including actual attorneys' fees. If you ask us to follow instructions that we believe might expose us to claims, suits, losses, expenses, liabilities or damages, whether directly or indirectly, we may refuse to follow your instructions, or we may require a bond or other protections.

Severability. If any of this Agreement is found by any other court or regulatory body of competent jurisdiction to be invalid or unenforceable in whole or in part for any reason whatsoever, the authority of the remaining provisions or portions hereof shall not be affected thereby.

Waiver. We may waive any of these provisions at our sole discretion, but any such waiver shall apply only on that occasion. If we chose to waive any provision, we will not be bound to waive the same provision or any other provision on another occasion.

Lien & Right of Offset/Enforcement. If you owe us money as a borrower, guarantor, endorser or otherwise, we have a lien on the account funds in any account in which you have an ownership interest, regardless of their source, unless prohibited by law. We may apply these funds in any order to pay off your indebtedness. By not enforcing a lien, we do not waive our right to enforce it later. In addition, you grant the Credit Union a consensual security interest in your accounts and we may use the funds from your accounts to pay any debt or amount now or hereafter owed the Credit Union, or for any loss, cost or expenses, including reasonable attorney's fees, we incur as a result of your failure to comply with the terms and conditions of this Agreement or that we may take to enforce this Agreement or any other Agreement you may enter into with us. This security interest is not applicable to obligations secured by your residence, or unless otherwise may be prohibited by applicable law. We will notify you if we have exercised our right of offset. All accounts are nonassignable and nontransferable to third parties.

Telephone Requests. You agree (for joint accounts, all joint owners agree jointly and severally) that funds in any of your accounts with us can be transferred upon the telephone request of any signer on the account. We shall not be responsible for any loss incurred as a result of our acting upon or executing any request, order or instruction we believe to be genuine. Furthermore, we may refuse to execute any telephone request or order.

Information About Your Accounts and About You. Generally, we will not disclose information to third parties about your accounts or about you without your permission. However, we may disclose information: (1) when it is necessary to complete transfers or transactions, or to send notice of dishonor or nonpayment; (2) to our accountants, attorneys or other professional advisors; (3) to Credit Union or financial institution regulators; (4) to exchange, in the regular course of business, credit information with other financial institutions or commercial enterprises, directly or through credit reporting agencies; (5) to advise third parties of accounts closed for misuse; (6) to furnish information to the appropriate law enforcement authorities when we believe we have been a victim of a crime; (7) to comply with government agency or court orders, or to furnish any information required by statute; (8) to furnish information about the existence of an account to a judgment creditor of yours who has made a written request for such information; (9) when we are attempting to collect an obligation owed to us; or (10) unless otherwise prohibited by law. In addition, you understand and agree that we may, from time to time, request and review credit reports and other information about you prepared by credit reporting agencies or others. For additional information about how we share your information with third parties, please refer to the Credit Union's Privacy Notice.

Section Headings. Section headings in this Agreement are for convenience of reference only and shall not govern the interpretation of any of the provisions of this Agreement.

Legal Process. If any legal action is brought against your account, we may pay out funds according to the terms of the action or refuse any pay out until the dispute is resolved. Any expenses or attorney fees we incur responding to legal process may be charged against your account without notice, unless prohibited by law. Any legal process against your account is subject to our lien and security interest.

Taxpayer Identification Numbers and Backup Withholding. Your failure to furnish a correct Taxpayer Identification Number (TIN) or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service (IRS) a percentage of dividends, interest and certain other payments. If you fail to provide your TIN, we may suspend opening your account.

Special Account Instructions. You may request that we facilitate certain business, trust, will, or court-ordered account arrangements. However, because we do not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your business, trust, will, or court order. If you ask us to follow any instructions that we believe might expose us to claims, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, we may refuse to follow your instructions or may require you to indemnify us or post a bond or other protection. Account changes requested by you, or any account owner, such as adding or closing an account or service, must be evidenced by a signed Account Change form and accepted by us.

Termination of Account. We may terminate your account at any time without notice to you, or we may require you to close your account and apply for a new account if: (1) there is a change in owners or authorized signers; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the account or of the funds in the account; (4) any share drafts are lost or stolen; (5) there are excessive returned unpaid items not covered by an overdraft protection plan; (6) there has been any misrepresentation or any other abuse of any of your accounts; or (7) we reasonably deem it necessary to prevent a loss to us. You may terminate a single party account by giving written notice. We reserve the right to require the consent of all owners to terminate a multiple party account. We are not responsible for payment of any draft, withdrawal, or other item after your account is terminated, however, if we pay an item after termination, you agree to reimburse us.

Termination of Membership. You may terminate your membership by giving us notice. You may be denied services or expelled for any reason allowed by applicable law, including causing a loss to the Credit Union. Termination of your membership does not relieve you from any legal obligation created while you were a member of this Credit Union.

Governing Law. This Agreement shall be governed by the laws, including applicable principles of contract law, and regulations of the State of Maryland, except as superseded by federal laws and regulations, by the Credit Union's Bylaws, and by local clearinghouse rules. Unless prohibited by applicable law, any action brought pursuant to this Agreement against the Credit Union must be brought in the local State District Court or State Circuit Court in the jurisdiction of the Credit Union's main office or Branch Offices.

Account Agreement. Your application for Membership in the Credit Union as well as your use of any Credit Union Membership privileges constitutes and acknowledgement and consent to the terms and conditions of your accounts as set forth in this Account Agreement and all other accompanying Disclosures provided to you.

Security Interest & Pledge of Shares. As a condition of us granting you credit under this agreement you hereby consent to a statutory lien and grant us a security interest in all present and future shares and deposits each of the individual undersigned officers/organizers/incorporators/sole proprietors have now or in the future on deposit with this Credit Union as collateral for any indebtedness owing to the Credit Union under this Agreement, with the exception of Individual Retirement Account(s) and other accounts which provide tax benefits under federal or state law. If any loan under this Agreement is in default. You also grant us the right to apply your individual member shares, dividends and deposits in your account(s) at the time of default to satisfy any obligation owing under this Agreement. If this Agreement is in default we may exercise this right without further notification to you. Furthermore, we may impress shares of any member who is a responsible party on a financial obligation in default at the credit union. Without qualifying any other statutory right to set-off or lien and subject to any contractual provision, when a party to a multiple party account is indebted to a credit union, the credit union has a right to set-off against the entire amount of the account.

In Case of Errors or Questions

If you believe there is an error on your statement or receipt, or you have a question regarding a transfer printed on your statement, please contact us by telephone or in writing at the telephone numbers or address listed in the HOW TO CONTACT US section at the end of this disclosure within sixty (60) days from the date of the first statement with the problem or error. You will need the following information to assist us:

1. Your name and account number;
2. A description of the error or transfer in question, including the dollar amount;
3. An explanation why you believe the transaction is an error; and
4. The date the error took place.

We may request that any verbal complaint or question be submitted in writing. If we do not receive this written request within ten (10) business days, we may not credit your account for the amount in question during the investigative period.

We will determine whether an error has occurred within ten (10) business days from the date you notified us of the discrepancy. If an error is found, we will promptly correct it. However, if it is necessary to research the transaction, there may be up to 45 days to do so. Under these circumstances we will credit your account within ten (10) business days (or twenty (20) business days if your account has been open for less than thirty (30) days for the amount in question.

If the error concerns an electronic funds transfer that is (1) a foreign-initiated transaction, (2) a point-of-sale transaction, or (3) a transaction occurring within the first thirty (30) days after deposit to a new account, a 90-day investigation will replace the 45-day condition.

Upon the completion of our investigation, we will notify you with the results within three (3) business days. If no error has been made, we will send you a written explanation. You may request copies of documents used in our investigation.

Our Liability. If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we may be liable for your losses or damages. Please note the following exceptions. We will NOT be liable:

- If, through no fault of ours, you do not have enough money in your account or line-of-credit to make the transfer.
- If the funds in your account are subject to legal process or other encumbrances restricting such transfer.
- If we receive incorrect or incomplete information from you or third parties (e.g. U.S. Treasury or automated clearinghouse.) If the transaction would exceed the credit limit on your line-of-credit or your available overdraft protection.
- If circumstances beyond our control, such as fire or flood, prevent the transfer, despite reasonable precautions we have taken.
- If any terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- If your ATM card or PIN has been lost, stolen, damaged so that the ATM machine cannot read the encoding strip or the card has expired.
- If a loan payment is past due or we have cancelled access due to inactivity or the repeated entry of an incorrect PIN or password.
- If the failure to complete your transaction is done to protect the security of your account and/or the electronic terminal system.

There may be other exceptions not specifically listed above.

Your Liability for Unauthorized Transfers. You agree to provide reasonable assistance in connection with our efforts to recover funds paid due to unauthorized use, including but not limited to the filing of a police report. You may be required to provide a written statement detailing your claim of unauthorized transactions. The following limitations may be exceeded to the extent of the law if we determine that you were negligent or fraudulent in the handling or safekeeping of your account, PIN, card or password.

Immediately report a lost or stolen card, compromised PIN number or any discrepancy between the amount you requested from an ATM and the amount you received, to Bulldog Federal Credit Union.

Contacting us by phone is the best way to minimize your losses. Please refer to the HOW TO CONTACT US section at the end of this disclosure for telephone numbers.

Be advised you could lose all the money in your account, plus your maximum line-of-credit. However, if you contact us within two (2) business days after the theft or loss of your card, PIN, or password, you will lose no more than \$50 if an unauthorized party has used your card, PIN, or password. If you do not notify us within two (2) business days and we can prove the unauthorized access of your account could have been avoided if you had notified us, you may lose as much as \$500.

If your statement shows a transfer you did not make, contact Bulldog Federal Credit Union immediately. If you do not tell us within sixty (60) days from the date your statement was mailed, you may not be compensated for money lost after the sixty days, if we can prove the unauthorized transfer could have been avoided if you had promptly notified us. Should an emergency, such as travel or hospitalization prevent you from notifying us within sixty days, a reasonable extension will be granted.

Account Information Disclosure. We will disclose information to third parties about your account or transfers:

1. When it is necessary to complete a transfer;
2. In order to verify the existence or condition of your account for a third party, such as a credit bureau;
3. In order to comply with government agencies or court orders; and
4. When you give us your written permission to do so.

Please refer to our Privacy Policy, which is provided with this agreement.

USA PATRIOT ACT

In accordance with the USA PATRIOT ACT, Federal law requires all financial institutions to obtain, verify, and record information that identifies each individual or entity opening an account. This includes all personal and commercial accounts including loan and deposit accounts, as well as trust, brokerage, insurance, and investment management accounts.

What This Means To Our Members

When you open an account, you will be asked for your name, address, social security or tax identification number, date of birth (if applicable) and other information that will allow Bulldog Federal Credit Union to identify you. You will also be asked to furnish your drivers license or other identifying documents. We are required to follow this procedure each time an account is opened, even if you are a current member of Bulldog Federal Credit Union.

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