

l) Any shares in this BASIC SHARE DRAFT ACCOUNT may not be used as collateral for a loan. Any funds desired as security must be transferred to a regular share account;

m) In considering this application, the Montauk Credit Union may request and use a report from outside reporting agencies. If you request it, the Credit Union will tell you whether or not we asked for such a report and if we have, the name and address of the agency or agencies;

n) The use of this BASIC SHARE DRAFT ACCOUNT is subject to such other terms, conditions, and requirements as the Credit Union may establish from time to time;

o) The Credit Union reserves the right to close this account; and

p) If signed by more than one person, this agreement is subject to additional terms and conditions of any joint share account agreement that applies to a share account in our joint names; or if there is no such agreement, this agreement is subject to the additional terms and conditions printed below.

STANDARD DISCLOSURE STATEMENT - BASIC SHARE DRAFT ACCOUNT

Basic Share Draft Accounts in this Credit Union are subject to the requirements below and such other terms and conditions as contained in this BASIC SHARE DRAFT ACCOUNT AGREEMENT and established by the Board of Directors. The Credit Union reserves the right to change this account to another type of account without the member's approval if, in the Credit Union's judgement, the change is not adverse to the member. The Credit Union will notify the member at least 30 days before the change is effected. If the Credit Union determines that a change to another type of account would be adverse to the member, the change will not be made without the member's approval.

Joint Share Account Agreement

The Credit Union is hereby authorized to recognize any of the signatures on the basic share draft application in the payment of funds or the transaction of any business for this account. The joint owners of the account hereby agree with each other and with the Credit Union that all sums now, previously, or in the future paid in on shares by any or all joint owners to their credit such as joint owners, are and shall be owned by them jointly, with the right of survivorship, and be subject to the withdrawal or receipt of any of them, and payment to any of them or the survivor or survivors shall be valid and discharge the Credit Union from any liability for such payment.

The right or authority of the Credit Union under this agreement shall not be changed or terminated by said owners or any of them except by written notice to the Credit Union which shall not affect transaction(s) previously made.

COSTS TO MEMBERS:

Supply of Share Drafts (Checks).....determined by design
Return Check Charge\$20.00 per draft
Stop Payment.....\$5.00 per draft
Copy of Cleared Draft\$2.00 per draft
Certified Draft\$5.00 per draft
Copy of Statement\$5.00 per page
Automatic Overdraft Transfer . . . (MAXIMUM of three (3) per month, includes MON-TALK transfers & withdrawals) \$5.00 per draft
Assistance in Balancing AccountNone first time
\$20.00 first hour, \$5.00 each additional hour.

CHECK SUPPLY: Each member will receive an initial supply of 50 checks at no charge. After that, checks may be ordered by mailing the reorder form to the credit union. The cost for the check supply will be charged against your checking account.

STATEMENTS: Members will receive a monthly statement. Please reconcile your account on a monthly basis.

PAID CHECKS: These checks will have a unique feature - a carbonless copy that you can use as a permanent record. Paid checks will not be returned to you but will be microfilmed and stored for seven (7) years at our central clearing house. If necessary, a microfilm copy may be obtained at a charge of \$2.00.

OVERDRAFT PROTECTION: When there are sufficient funds to honor a check, we will try to cover the check by withdrawing sufficient funds from your regular share account. If you desire this service, please advise us at the time of application. Any transfers from shares are limited to three (3) a month and there will be a \$5.00 charge for each transfer.

CHECK HOLDS: Please refer to our Funds Availability Disclosure.

MISCELLANEOUS: Members should use extreme caution in using their checking accounts. If checks become lost or stolen, the credit union should be notified immediately so that protective action may be taken.

No member may have a checking account only. Applicants must be at least 18 years of age. The credit union reserves the right to close any account that has three (3) returned checks within a one (1) month period.

PLEASE CONTACT THE CREDIT UNION IMMEDIATELY IF SHARE DRAFTS ARE LOST OR STOLEN.

ABA # 226074658

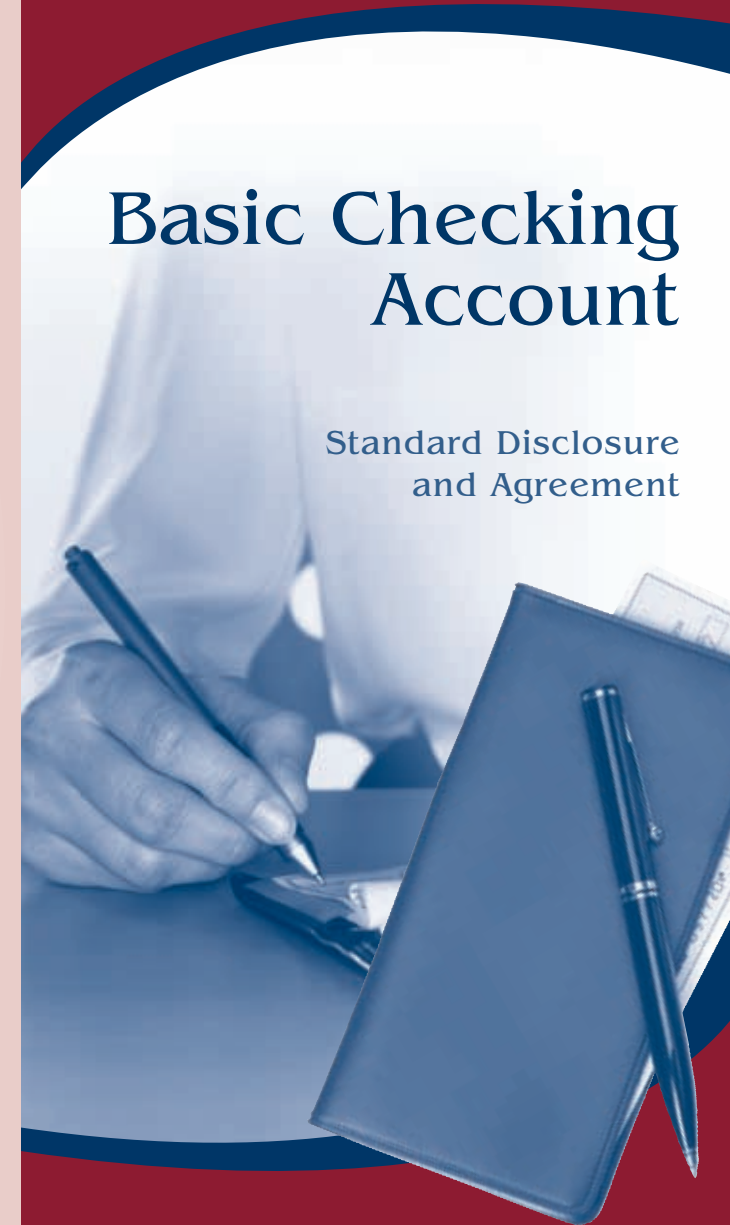


MONTAUK CREDIT UNION

We know New York, like you know New York

Basic Checking Account

Standard Disclosure and Agreement



www.montauk-cu.com

Make the checking choice...

Please answer the following questions:

- 1) Do you want your address printed on your checks?
2) Do you want Overdraft Protection?

I/We hereby acknowledge that the credit union has informed me of the following:

- The Credit Union's policy concerning the hold period placed on funds deposited.
The Credit Union's stop-payment policy.
The Credit Union's policies concerning its liens on shares

Montauk Credit Union

For Office Use Only:
Date Opened
Check Digit
Teller ID
Checks Ordered
M790

Montauk Credit Union
Checking Application

Full Name
Share Account Number
Social Security #
Address
City/State/Zip
Home Phone
Work Phone
Date of Birth
Mothers Maiden Name
Employer
Occupation

Joint Owner Information

Full Name
Share Account Number
Social Security #
Address
City/State/Zip
Home Phone
Work Phone
Date of Birth
Mothers Maiden Name
Employer
Occupation
Relationship to Primary Owner

Sign Here

I/We have read the standard disclosure statement and hereby subscribe to the terms of the Basic Share Draft Account both of which appears on the reverse of this page.

Member's Signature
Date
Joint Owner's Signature
Date

Detach Here

Basic Checking (Share Draft) Account Agreement with Overdraft Transfer Clause

I/We hereby authorize the Montauk Credit Union to establish a special account for me/us to be known as the BASIC SHARE DRAFT ACCOUNT. The Credit Union is authorized to pay share drafts signed by anyone whose signature appears on this agreement and to charge the payments against this BASIC SHARE DRAFT ACCOUNT;

If is further agreed that:
a) Only share drafts and other methods approved by the Credit Union may be used for withdrawals for this BASIC SHARE DRAFT ACCOUNT;

b) The Credit Union is under no obligation to pay a share draft which exceeds the fully paid and collected balance in this BASIC SHARE DRAFT ACCOUNT, or a share draft on which the date is more than six months old;

c) The Credit Union is under no obligation to pay a share draft which exceeds the balance in this BASIC SHARE DRAFT ACCOUNT, the Credit Union will follow the Overdraft Option, if chosen, to pay the draft. If sufficient funds are still not available, the share draft(s) will be returned unpaid for Insufficient Funds and a service charge will be assessed;

d) The Credit Union may pay a share draft on whatever day it is presented for payment, notwithstanding the date (or any limitation on the time of payment) appearing on the share draft;

e) When paid, share drafts become the property of the Credit Union and will not be returned either with the periodic statement of this BASIC SHARE DRAFT ACCOUNT or otherwise;

f) There will be no more than 3 electronically initiated share transfers per month from any regular share account to this BASIC SHARE DRAFT ACCOUNT;

g) Except for negligence, the Credit Union is not liable for any action it takes regarding the payment or non-payment of a share draft;

h) Any objection regarding any item shown on a monthly statement of this BASIC SHARE DRAFT ACCOUNT will be waived unless made in writing to the Credit Union on or before the end of 60 days after the statement is mailed;

i) This BASIC SHARE DRAFT ACCOUNT is subject to the Credit Union's right to require advance notice of withdrawal, as provided in its bylaws;

j) All non-cash deposits to this BASIC SHARE DRAFT ACCOUNT will be credited subject to final payment;

k) This BASIC SHARE DRAFT ACCOUNT shall be subject to service charges in accordance with the fee schedules adopted by the Credit Union from time to time;