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BELCO SUED TODAY BY CREDIT UNION MEMBERS

HARRISBURG, PA - September 18, 2008. Several members of the BELCO Community Credit Union sued the credit union today claiming misrepresentations by BELCO.

The Plaintiffs sued BELCO claiming in their Complaint, among other claims:

that BELCO failed to disclose to them that BELCO had a secret agreement with a financial services company;

that the undisclosed agreement provided for BELCO to be compensated by the financial services company based on a percentage of the sales of investments to BELCO member/customers; and

that the terms of the agreement provided that the greater the sales of investments to BELCO member/customers, the greater the compensation to BELCO.

The Plaintiffs claim in their Complaint that this was a conflict of interest for BELCO.

The Plaintiffs also claim that the credit union has a fiduciary relationship with its members and, therefore, must put its members' interests above its own. The Plaintiffs claim in this case that BELCO violated that duty.

In addition, the Plaintiffs claim that BELCO promoted and advertised that the financial services company, MEMBERS Financial Services, had expertise in retirement planning and retirement advice. Plaintiffs claim that, to the contrary, the company and its financial advisors did not have expertise in retirement planning or in retirement advice.

The Plaintiffs sued BELCO claiming, inter alia, violations of the Pennsylvania Unfair Trade Practices and Consumer Protection Law. The Consumer Protection law is designed to protect consumers from unfair and deceptive business practices.

The law suit filed today is the second law suit filed against BELCO by members and former members. In November 2007 several members filed a Complaint against BELCO with similar claims. That law suit is still pending in the Dauphin County Court of Common Pleas.

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