

PRESIDENT/CEO MESSAGE

MIT Federal Credit Union is one of the strongest, highest rated financial institutions in Massachusetts. Our conservative business practices of the past provide us the strength today to be here when you need us most.

The ongoing effect of the sub-prime mortgage market collapse on financial institutions has had a major impact on so many Americans. While we take pride in reporting that we were never part of that problem, we feel for those who have been hurt through no fault of their own. We would never encourage our members to take a loan for a home, car, or anything they could not afford to repay. It's not good for our members who borrow, nor is it good for the rest of our members who provide most of the money we lend.

As the uncertainty of how to bring calm and stability to the markets continues, our members can be reassured that MITFCU is a safe, sound, and secure financial institution. Because of our conservative and common sense philosophy, we remain in position to help more people than ever purchase homes within their means, refinance their homes to save money, purchase economical cars to drive to work, and pay for a college education. As a growing number of financial institutions are turning loan business away, we stand ready and able to serve you as we always have.

Deposits Insured

With so many struggling financial institutions in the news recently, it is only natural to wonder if your money is safe. Your money is secure through our financial strength and it is safe through federal insurance.

Congress recently passed major legislation referred to as the Emergency Economic Stabilization Act of 2008. As a result, all deposit accounts at MITFCU are now federally insured up to at least \$250,000 per member by the National Credit Union Share Insurance Fund (NCUSIF).

The NCUSIF is an arm of the National Credit Union Administration (NCUA), an independent United States government agency that regulates, charters, and insures the nation's federal credit unions.

Funds in a federally insured credit union can be insured to a level a lot higher than \$250,000, based on how you establish your accounts. Talk to one of our Member Service Representatives to structure your accounts so you can maximize coverage.

What the Future Brings

Even the nation's most prominent economists cannot predict what will happen to the US economy in 2009, but history has taught us all downturns are temporary. To protect your financial health against uncertainty, please consider these steps:

- 1. Build up your savings to cover the unexpected** – Two months of living expenses would be great protection, but any amount will help.
- 2. Economize** – Rising gasoline prices have forced many Americans to look at how they spend their money. Are there ways you can spend less or not spend at all on some things? Many people are changing where they shop, what they buy, how much they drive, and what they drive so they can make each dollar go farther.
- 3. Stay focused on your long term goals** – If you have a 401(k) with your employer, resist the temptation to borrow from it or reduce your contributions. If you have an IRA, continue to make regular contributions if you can.

Continued on Page 2

Holiday Solutions

We can almost hear those sleigh bells jinglin', ring-ting-tinglin' too. So to help you prepare for the most wonderful time of the year, we've got several holiday solutions designed just for you.

Give Yourself Extra Holiday Dough this Season with Skip-a-Payment

It's not every day that someone tells you NOT to pay a bill! But with the holiday season just around the corner, MITFCU knows how helpful it is to have extra cash on hand for all those presents and parties. So we're offering you the opportunity to **skip a payment** on your MITFCU personal loan.



If you're in good standing on all of your credit union accounts, up-to-date on your repayment schedule, and have already made at least one payment toward your loan, then you qualify. All you need to do is fill out the attached Skip-a-Payment Acceptance Certificate and return it by November 14, 2008. **Getting a holiday bonus has never been easier!**

PRESIDENT/CEO MESSAGE, *continued*

- 4. Stay vigilant** – In uncertain times, criminals often prey upon people's fears. Don't fall for anything that seems too good to be true. Protect your passwords and personal information. Make sure you have up-to-date internet security software on your computer. At the same time, we're using state-of-the-art technologies and procedures to protect you and MITFCU.
- 5. Ask for help early** – If your financial situation is turning bad, let us know as soon as you can. There are ways we can help or put you in touch with others who can, but you need to act early.

Final Thoughts

Your credit union's solid financial position, modest overall exposure to current market conditions, and ability to confidently weather the current financial storm is attributable to a variety of things, not the least of which is the conservative and prudent manner in which the Credit Union has been managed. Rest assured, our members are our primary focus and we manage the Credit Union accordingly.

Thank you for your continued confidence.

Sincerely,

Brian W. Ducharme
President/CEO

e-Solutions *Find Time-Saving Tools Online*

Monthly e-Statements and Check Images

Still receiving a paper summary of your monthly account activity? Save time and space by viewing your monthly credit union statements and cleared checks online.

Not only are e-Statements (electronic versions of your monthly account statement) posted and ready to review sooner than their snail-mail paper counterparts, they're archived for three years so you can find them when you need them. (No more wasting storage space, wondering where they've been misplaced, and don't worry, our safeguards and 128-bit SSL Secure server always keep your confidential information safe.)

To register for this easy, FREE service, just log in to e-Branch at www.mitfcu.org/ebranch and click on e-Statements.

Need to see a cleared check? Look no further than e-Branch. Our online check images allow you to see both the front and back of the cleared check. Simply log in to e-Branch, click on your checking account, and click on the check number you'd like to see. It's that easy!

Since e-Statements and online Check Images are paper-free, you can feel good about reducing your environmental impact. And you can always print a copy if you need one.

Not signed up for e-Branch yet or unsure of your e-Branch password?

Visit www.mitfcu.org/ebranch or call us at 617.253.2845.

Even More Electronic Services Coming Soon

We're redesigning our Web site in order to offer you *even more* electronic services. Right now you can already apply for a loan or mortgage online. Soon you'll also be able to open a new member account and use our new and improved bill payment and presentment service.

If you're already using our Bill Payment service, you know how easy it is to pay your bills from the comfort of your home or office. Bill Presentment takes it one step further, allowing you to receive, view, and pay bills electronically from your computer in one platform.

Toys for Tots

COLLECTION

Make the holidays a little brighter for a local child in need. MIT Federal Credit Union is proud to announce that, once again, our offices will be collection points for the Toys for Tots program run by the U.S. Marine Corps.

Please join us by bringing a new, unwrapped toy to one of the collection bins located at each of our branches by December 1.

MIT Tech Square (NE48)

700 Technology Square, Cambridge

MIT Student Center (W20, 116)

84 Massachusetts Ave, Cambridge

MIT Lincoln Laboratory (LLA-100)

244 Wood Street, Lexington

Won't you please help this wonderful cause?

MITFCU Seeks Candidates for the 2009 Board of Directors Election

Our members (not investors!) own MIT Federal Credit Union, and that makes all the difference in the world.

Credit unions are not for profit, democratically-controlled financial cooperatives, dedicated to improving our members' lives. MITFCU has a volunteer Board of Directors, elected by our members, to oversee our operations.

Our board makes decisions with your best interests in mind, unlike bank directors and employees who are legally obligated to make decisions that benefit stockholders, not customers.

MIT Federal Credit Union's nominating committee now seeks Credit Union members interested in serving on the Board of Directors.

Three 3-year terms will be open for election in spring 2009. Contact Maura Lavalley at 781.779.1686 or mitfcu-nominate@mit.edu for application details.

The deadline for application submissions is Wednesday, November 19, 2008.

Holiday Solutions

Continued



Holiday Club Accounts Paid Out

Our Holiday Club Account holders saw their balance automatically transferred to their savings account on October 15!

A **Holiday Club Account** is an account you designate specifically for holiday spending. You can arrange to automatically deposit a specified amount from your payroll or deposit and transfer funds whenever you want. It's a convenient way to save and keep your budget on track all year. Opening a holiday account is free, your money earns dividends, and there is no minimum balance.

Plan now for the holidays next year... open your Holiday Club Account today! Visit one of our branches or go online to www.mitfcu.org for an application.

More Holiday Solutions Designed with You in Mind

You meant to open that Holiday Club Account last year, but never got around to it, and now it seems like your holiday shopping list just keeps growing longer and longer. Don't despair! We've got holiday loan specials and credit cards with rates low enough to keep you in the holiday spirit.

Holiday loans are personal loans where you select the amount (\$1,000 to \$20,000) and repayment timeline. Plus, if you're a Smart Money Rewards member and you receive e-Statements, you can save even more.

Loan Term	APR*	Smart Money <u>or</u> e-Statements APR*	Smart Money <u>and</u> e-Statements APR*
12 months	10.65%	10.40%	10.15%
24 months	11.15%	10.90%	10.65%
36 months	11.65%	11.40%	11.15%
48 or 60 months	12.15%	11.90%	11.65%

An **MITFCU Visa**® could be your spending partner of choice. You'll save big with a rate of just 6.99% APR** for a Platinum card and 8.99% APR** for a Classic card. Credit limits range from \$500 to \$15,000, cash advances and balance transfers have the same low APR as purchases, there is a 25 day interest-free grace period on new purchases, and there is NO annual or monthly fee.

An MITFCU Visa makes life easier with online access and payments, auto rental discounts, 90 day product protection on property purchased with your Visa, an online purchase security program, fraud protection provided by a zero liability policy, and so many other benefits, we can't list them all here!

To apply, fill out and return the attached loan application, apply online at www.mitfcu.org, or call 617.253.2845. Already have a personal loan or credit card somewhere else? Refinance with us or transfer your balance and save!

*APR = Annual Percentage Rate. Rates are subject to change without notice. Offer is valid November 1, 2008 through January 31, 2009. Minimum loan amount is \$1,000. Maximum loan amount is \$20,000 combined for all personal loans. Special applies to new loans with MITFCU and the transfer of loans currently held at another financial institution. A \$2,000 loan for 12 months at 10.15% APR has an approximate monthly payment of \$175.69. If at any time MITFCU no longer receives your net pay, pension, or Social Security via direct deposit or your checking account is closed or becomes inactive, the rate will increase by 0.25% and you will no longer receive any of the discounts associated with Smart Money Rewards membership. Maximum APR reduction is 0.50% in combination with other offers.

**APR = Annual Percentage Rate. The APR is subject to change on the statement cycle date of each quarter to reflect any change in the Index. Rates will be determined by the Prime Rate as published in The Wall Street Journal "Money Rates" table, plus 1.9% (Platinum) or 3.9% (Classic). The APR will never be less than 6.99% (Platinum) or 8.99% (Classic), nor greater than 18%. Balance transfers begin accruing interest on the date you receive them; there is no grace period. Qualification for a Classic versus Platinum card is based on your credit score, income, and repayment history.

Contact Us

Web site
www.mitfcu.org

Phone
617.253.2845
8:00 am to 5:00 pm, Mon-Fri

Fax
617.258.5709

Branch Locations
MIT Tech Sq (Bldg NE48)
700 Technology Square
Cambridge, MA 02139
8:30 am to 4:00 pm, Mon-Fri

MIT Student Center (Bldg W20, Rm 116)
84 Massachusetts Avenue
Cambridge, MA 02139
9:00 am to 4:30 pm, Mon-Wed + Fri
9:00 am to 5:30 pm, Thurs

MIT Lincoln Laboratory (Bldg A, Rm 100)
244 Wood Street
Lexington, MA 02421
8:30 am to 4:00 pm, Mon-Fri
Phone: 781.981.2361
Fax: 781.981.4131

e-Branch Online Banking
www.mitfcu.org/ebranch

MIT TouchTone Teller Telephone Banking
800.MIT(648).4411

e-mail
mitfcu@mit.edu

Lending Department
Apply online: www.mitfcu.org/apply
Apply by phone: 617.253.2845
866.464.8328
(after hours and weekends)
Apply by fax: 617.252.1585

Members™ Mortgage
866.265.1121

Report a Lost or Stolen Debit Card
800.264.5578

Important VISA Phone Numbers

Lost or Stolen Credit Cards:
800.325.3678
24 hours a day, 7 days a week

Account Inquiries:
800.THE.LINE(843.5463)
24 hours a day, 7 days a week

General Information:
617.253.VISA(8472)
8:00 am to 5:00 pm, Mon-Fri





Holiday Solutions Applications

YES! I would like to apply for a Personal Loan or Visa Credit Card today!

Only complete this section if applying for a Loan or Credit Card.

Applicant MITFCU Member #	<input type="checkbox"/> Visa® Credit Card Limit \$ _____
Name (Last / First / MI)	<input type="checkbox"/> Holiday (Personal Loan)
Home Address	Requested Holiday Loan Amt – select \$1,000 to \$20,000 \$ _____
City State Zip	Loan Term
How Long? Yrs Mos <input type="checkbox"/> Own Home <input type="checkbox"/> Rent Mo.Pmt \$	<input type="checkbox"/> 12 mos <input type="checkbox"/> 24 mos <input type="checkbox"/> 36 mos <input type="checkbox"/> 48 mos <input type="checkbox"/> 60 mos
Daytime Phone () E-mail	Repayment Method
Current Employer	<input type="checkbox"/> Cash <input type="checkbox"/> Automatic Pay <input type="checkbox"/> Payroll Deduction
Employer Address	Optional Payment Protection
How Long? Yrs Mos Job Title	<input type="checkbox"/> Credit Life Insurance* <input type="checkbox"/> Credit Disability Insurance*
Employment Income \$ /yearly	Note: For all income information, please use gross (pre-tax) figures.
Other Household Income \$ /yearly Source	Alimony, child support, or separate maintenance income need not be revealed if you do not choose to have it considered.

Credit Card Balance Transfer Option

Transfer Amount \$ _____	Transfer Amount \$ _____	Transfer Amount \$ _____
Account # _____	Account # _____	Account # _____
Card Issuer _____	Card Issuer _____	Card Issuer _____
Payment Address _____	Payment Address _____	Payment Address _____

You promise that everything you have stated in this application is correct to the best of your knowledge. If there are any important changes, you will notify us in writing immediately. You authorize the Credit Union to obtain credit reports in connection with this application for credit and for any update, increase, renewal, extension, or collection of the credit received. You understand that the Credit Union will rely on the information in this application and your credit report to make its decision. If you request, the Credit Union will tell you the name and address of any credit bureau from which it receives a credit report on you. It is a federal crime to willfully and deliberately provide incomplete or incorrect information on loan applications made to federal credit unions or state chartered credit unions insured by NCUA. *If payment protection is desired, a separate election which discloses the terms, conditions, and costs of these voluntary coverages must be signed for the coverage(s) to become effective.

Applicant's Signature _____ Date _____

Please submit a recent copy of your pay stub, W2, or income tax return along with this form.

YES! I would like to Skip A Payment on my Personal Loan. To qualify for this offer, this form must be submitted by Friday, November 14, 2008.

Only complete this section if requesting Skip a Payment.

Name (Last / First / MI)	Home Address, City, State + Zip	
MITFCU Member #	Daytime Phone	E-mail Address
Defer My Payment(s) For	<input type="checkbox"/> All my personal loans <input type="checkbox"/> Only loan number(s) _____	
Date(s) For Deferment	<input type="checkbox"/> November 30, 2008 <input type="checkbox"/> December 31, 2008 <input type="checkbox"/> Both November and December	

Skip Payment processing fee Option

I would like to pay the \$25 processing fee from my MITFCU Savings Account from my MITFCU Checking Account with my enclosed check for \$25.

Interest will continue to accrue during the month you skip payment. You will be charged a \$25 Skip Payment processing fee for each loan you skip payment. The skip payment fee is a finance charge and may increase your Annual Percentage Rate (APR) on your loan. When you exercise the skip payment option, it will extend the maturity date of your loan.

By signing below, I hereby authorize MIT Federal Credit Union to extend my final loan payment by either one or two months, depending on my selection above. I understand that no late fee will be levied: My payments will resume on my regular payment date in December 2008 or January 2009, depending on my selection above. I also understand that loan interest will continue to accrue and will be collected when payments resume: I understand that any loan payroll deduction received during this period will be deposited into my savings account and will be available for withdrawal. This offer excludes all collateral loans.

Borrower's Signature _____ Date _____

Co-Borrower's Signature _____ Date _____

Return Instructions

- **MAIL:** Complete, detach, fold, and tape this form. Drop in the mail at your convenience, no postage necessary!
- **FAX:** Fax the form to 1.617.252.1585.
- **ONLINE:** (Loan application only) Go to www.mitfcu.org/apply and select the "Unsecure Loan" option.

CREDIT UNION USE ONLY: Smart Money Rewards Member? Yes No e-Statements? Yes No



700 Technology Sq.
Cambridge, MA 02139-3586

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First Class Mail
U.S. Postage
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92799

IMPORTANT MESSAGE FROM PRESIDENT/CEO

Simple Estate Planning for Everyone

Content developed by CUNA Brokerage Services, provided by MEMBERS Financial Services™

While most of us need an estate plan, few of us actually take time to put one together. Good news: It might not be as difficult as you think.



Start with a Will

A will provides for distribution of your assets, names a guardian for your minor children, and appoints an executor or personal representative to see that your wishes are carried out. If you die without a will, a court will make these decisions for you.

Establish Powers of Attorney

Think through who you want to make important medical, legal and financial decisions for you if you can't speak for yourself. Work with an attorney to draw up all of the necessary powers of attorney to designate the right person to make those decisions for you.

Minimize Estate-Tax Consequences

Work with both an estate planning attorney and a financial advisor that specializes in estate planning to develop a comprehensive plan that addresses both your needs while you're alive and passes your remaining assets most efficiently after your death.

Leave a Paper Trail

Make a list of your assets along with information to identify and locate the accounts. Make a second list of your liabilities, including loans, mortgages, and credit card obligations. Tell someone where this information is kept. If you put these documents in your safety deposit box, designate someone to have authority to open the box without your presence or consent.

Start Today

A financial advisor can help you get started and recommend strategies to help you achieve your personal estate planning objectives.

Gerry Tautkus is a Financial Advisor with MEMBERS FINANCIAL SERVICES™ located at MIT Federal Credit Union. If you have any questions, or would like to provide feedback, regarding the information presented in this article, you may contact Gerry at 617-324-3832.

Representative is not a tax advisor or legal expert. For information regarding specific tax situations, please contact a tax professional. For legal advice, consult an attorney.

Representatives are registered, securities are sold, and investment advisory services offered through CUNA Brokerage Services, Inc. (CBSI), member FINRA/SIPC, a registered broker/dealer and investment advisor, 2000 Heritage Way, Waverly, Iowa 50677, toll-free (866) 512-6109. Nondeposit investment and insurance products are not federally insured, involve investment risk, may lose value and are not obligations of or guaranteed by the financial institution. CBSI is under contract with the financial institution, through the financial services program, to make securities available to members.

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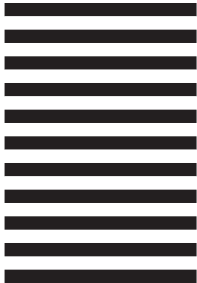


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BUSINESS REPLY MAIL
FIRST-CLASS MAIL PERMIT NO. 10860 CAMBRIDGE, MA

POSTAGE WILL BE PAID BY ADDRESSEE

Lending Dept.
MIT Federal Credit Union
700 Technology Square
Cambridge, MA 02139-3586



Please fold in three, with the MITFCU address on the outside, and tape closed.

Postage is not necessary.



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WITH
SOY INK

