The Northland Area Federal Credit Union nominating committee met on December 17, 2007 for the purpose of nominating two persons to fill two vacancies for the Board of Directors for a period of three years.

Three letters were received requesting nomination consideration for the two three-year vacancies on the Board of Directors. A motion was made and carried to place Judith Sharma and Thomas Gregory names on the upcoming ballot.

Nominations for vacancies on the Board of Directors will not be accepted from the floor at the Annual Meeting on April 12, 2008. Nominations may be made by petition. The petitions may be obtained through January 28, 2008 from the President’s office. Completed petitions must be received by the President’s office no later than February 27, 2008 by 5 p.m.

THIS PAST YEAR marked the 50th anniversary of Northland Area Federal Credit Union. This milestone achievement was celebrated with original charter members Alvie and Edith Lee. It was an honor to share the occasion with members who have seen Northland throughout all its years of change.

2007 was another financially sound year for Northland with a net profit of approximately $1.7 million. Our profit measured as a return on average assets exceeded 1.00%, well above industry average which adds to the strength and sustainability of the credit union. It enables continued growth and the investment in new and improved products and services for the benefit of our members.

DURING 2007 we provided new products, services and technological enhancements including a Money Market account, a new ATM at the Oscoda branch, and the commencement of construction on two new facilities in Hale and Harrisville.

It is important to note that our efforts begin with our staff and volunteers. In the past year, we have strengthened talent in virtually every corner of the credit union through employee and volunteer training, and the recruitment of highly skilled employees and volunteers. It’s a winning combination of new perspectives.

YOUR CREDIT UNION’S reputation in our communities was enhanced during the year through the efforts of all branch staff. Volunteer work supporting programs such as Relay for Life, Adopt-A-Highway, along with many fundraisers and donations helped make our communities a better place to live.

Looking forward, I am inspired and intrigued by the possibilities for Northland. We have a lot of challenging work ahead of us. I am confident that our strategy is sound and the vision is clear. The year 2008 finds us well positioned to thrive despite the economic challenges ahead. As we look to our future and explore new opportunities, we will be mindful to preserve and carry forward the strengths and attributes that distinguish Northland from other financial institutions.

ON BEHALF OF the Board of Directors, I would like to thank our volunteer members who serve Northland by giving freely of their time and knowledge. I thank our management and staff for their countless hours of dedication and tireless efforts to provide our members with the best possible service.

A special thanks to you, our members, for your support over the past 50 years!

Howard W. Spencer
Chairman, Board of Directors

Report from the Nominating Committee

The Northland Area Federal Credit Union nominating committee met on December 17, 2007 for the purpose of nominating two persons to fill two vacancies for the Board of Directors for a period of three years.

Three letters were received requesting nomination consideration for the two three-year vacancies on the Board of Directors. A motion was made and carried to place Judith Sharma and Thomas Gregory names on the upcoming ballot.

Nominations for vacancies on the Board of Directors will not be accepted from the floor at the Annual Meeting on April 12, 2008. Nominations may be made by petition. The petitions may be obtained through January 28, 2008 from the President’s office. Completed petitions must be received by the President’s office no later than February 27, 2008 by 5 p.m.
OPENING SOON!

Look for our new Hale & Harrisville Branches!

These new branches will include a drive up ATM machine and a Drive-thru for your convenience.

Employee of the Year 2007
Congratulations, Theresa Snider

Congratulations to Theresa Snider, Northland's Employee of the Year for 2007.

Theresa was Employee of the 3rd Quarter, and has been a valuable part of the Northland Team since June 2005. She is truly an asset to Northland because of her leadership, dedication, and her willingness to share her knowledge. She is an excellent communicator, as well as a quick learner. She has a "hands on" approach to all areas of her life. Theresa is dedicated to her community and spends many hours volunteering her time.

Privacy Statement

Privacy Statement
Northland Area Federal Credit Union is committed to protecting your privacy. We recognize the importance of protecting the personal information of our members and potential members. Our obligation is to keep the information you provide to us secure and confidential.

Sometimes, sharing information with other companies allows a credit union to offer a product, such as credit cards or share drafts. While we might share the necessary information, we always take steps to protect your privacy, and we use your information in a manner consistent with your expectations.

Information We Collect
When you apply for a Credit Union account or service, we collect personal information about you - some of which is "nonpublic." The nonpublic personal information we collect varies depending on the product or service you obtain. We collect nonpublic personal information about you from the following sources:

• Information we receive from you on applications or other forms
• Information about your transactions with us, our affiliates, or other nonaffiliated third parties
• Information we receive from consumer reporting agencies

We may disclose all of the information we collect, as described above.

If you decide to terminate your membership with Northland Area Federal Credit Union, we will not share information we have collected about you, except as may be permitted or required by law.

Information We Disclose.
As permitted by law, we may disclose nonpublic personal information we collect about you to third parties.
The types of companies that we may disclose information to are:

• The companies that we use to provide financial products or services that may be of interest to you, such as insurance companies and mortgage service companies.
• Non-financial companies who complete a transaction that is either initiated by the member, or is needed to maintain a service, such as check printers, or the servicing company of Northland Area Federal Credit Union’s website.
• Companies that perform marketing or those with which we have joint marketing agreements. These third parties are nonaffiliated companies who perform marketing services for the Credit Union on our behalf or those offered jointly by the Credit Union and another financial institutions. We protect your information by conducting business only with companies that have contractually agreed to stringent confidentiality provisions that restrict the release and use of such information.

Employee of the Year 2007
Congratulations, Theresa Snider

Congratulations to Theresa Snider, Northland’s Employee of the Year for 2007.

Theresa was Employee of the 3rd Quarter, and has been a valuable part of the Northland Team since June 2005. She is truly an asset to Northland because of her leadership, dedication, and her willingness to share her knowledge. She is an excellent communicator, as well as a quick learner. She has a “hands on” approach to all areas of her life. Theresa is dedicated to her community and spends many hours volunteering her time.

Privacy Statement

Privacy Statement
Northland Area Federal Credit Union is committed to protecting your privacy. We recognize the importance of protecting the personal information of our members and potential members. Our obligation is to keep the information you provide to us secure and confidential.

Sometimes, sharing information with other companies allows a credit union to offer a product, such as credit cards or share drafts. While we might share the necessary information, we always take steps to protect your privacy, and we use your information in a manner consistent with your expectations.

Information We Collect
When you apply for a Credit Union account or service, we collect personal information about you - some of which is “nonpublic.” The nonpublic personal information we collect varies depending on the product or service you obtain. We collect nonpublic personal information about you from the following sources:

• Information we receive from you on applications or other forms
• Information about your transactions with us, our affiliates, or other nonaffiliated third parties
• Information we receive from consumer reporting agencies

We may disclose all of the information we collect, as described above.

If you decide to terminate your membership with Northland Area Federal Credit Union, we will not share information we have collected about you, except as may be permitted or required by law.

Information We Disclose.
As permitted by law, we may disclose nonpublic personal information we collect about you to third parties.
The types of companies that we may disclose information to are:

• The companies that we use to provide financial products or services that may be of interest to you, such as insurance companies and mortgage service companies.
• Non-financial companies who complete a transaction that is either initiated by the member, or is needed to maintain a service, such as check printers, or the servicing company of Northland Area Federal Credit Union’s website.
• Companies that perform marketing or those with which we have joint marketing agreements. These third parties are nonaffiliated companies who perform marketing services for the Credit Union on our behalf or those offered jointly by the Credit Union and another financial institutions. We protect your information by conducting business only with companies that have contractually agreed to stringent confidentiality provisions that restrict the release and use of such information.

Annual Meeting
Mark your calendar! Northland’s Annual Meeting will be held on Saturday, April 12th beginning at 11 a.m. at Wiltse’s Restaurant in Oscoda.

Your Volunteer Representatives

Board of Directors
Howard Spencer – Chairman
Jerry Erickson – Vice Chairman
Judy Sharma – Secretary
Michael Palumbo – Treasurer
Thomas Gregory – Vice Secretary

Supervisory Committee
Thomas Gregory – Chairman
Jean Thomas – Secretary
Barb Klenow – Member
Thomas Thompson – Member
Diana Allen – Member
Rose Burke – Alternate Member

Mr. Thomas Gregory has been appointed to serve the remainder of the unexpired term of the Vice Secretary position on the Board of Directors. Mr. Gregory will hold this position along with his responsibilities as the Supervisory Committee Chairman.

Notice to Members
Please keep us informed of any changes in your address, phone number, e-mail, etc. It is very important that you keep your information current with Northland Area Federal Credit Union.

www.northlandcu.com 1-800-336-2328
CONSOLIDATE YOUR LOANS

Most people have more than one debt. You may have high interest credit cards, loans, and mortgages. To pay off one debt, you may need to borrow from someone else, creating yet another debt. The solution to this problem is debt consolidation.

If you own a home, you may qualify for a debt consolidation home equity loan. With a debt consolidation loan you can consolidate each of your high interest credit cards, as well as your consumer loans, into one inexpensive and affordable monthly payment, with a plan to pay off the debt over a specified period of time.

(APR = annual percentage rate. Variable rate product, offer is available to qualified borrowers, closing fees may apply, interest rate may adjust, with a maximum APR of 18%. Limited time offer)

CONSOLIDATE DEBTS WITH A HOME EQUITY LOAN

CONSOLIDATE YOUR LOANS

Most people have more than one debt. You may have high interest credit cards, loans, and mortgages. To pay off one debt, you may need to borrow from someone else, creating yet another debt. The solution to this problem is debt consolidation.

If you own a home, you may qualify for a debt consolidation home equity loan. With a debt consolidation loan you can consolidate each of your high interest credit cards, as well as your consumer loans, into one inexpensive and affordable monthly payment, with a plan to pay off the debt over a specified period of time.

(APR = annual percentage rate. Variable rate product, offer is available to qualified borrowers, closing fees may apply, interest rate may adjust, with a maximum APR of 18%. Limited time offer)

CONSOLIDATE DEBTS WITH A HOME EQUITY LOAN

CONSOLIDATE YOUR LOANS

Most people have more than one debt. You may have high interest credit cards, loans, and mortgages. To pay off one debt, you may need to borrow from someone else, creating yet another debt. The solution to this problem is debt consolidation.

If you own a home, you may qualify for a debt consolidation home equity loan. With a debt consolidation loan you can consolidate each of your high interest credit cards, as well as your consumer loans, into one inexpensive and affordable monthly payment, with a plan to pay off the debt over a specified period of time.

(APR = annual percentage rate. Variable rate product, offer is available to qualified borrowers, closing fees may apply, interest rate may adjust, with a maximum APR of 18%. Limited time offer)

CONSOLIDATE DEBTS WITH A HOME EQUITY LOAN

CONSOLIDATE YOUR LOANS

Most people have more than one debt. You may have high interest credit cards, loans, and mortgages. To pay off one debt, you may need to borrow from someone else, creating yet another debt. The solution to this problem is debt consolidation.

If you own a home, you may qualify for a debt consolidation home equity loan. With a debt consolidation loan you can consolidate each of your high interest credit cards, as well as your consumer loans, into one inexpensive and affordable monthly payment, with a plan to pay off the debt over a specified period of time.

(APR = annual percentage rate. Variable rate product, offer is available to qualified borrowers, closing fees may apply, interest rate may adjust, with a maximum APR of 18%. Limited time offer)

CONSOLIDATE DEBTS WITH A HOME EQUITY LOAN

CONSOLIDATE YOUR LOANS

Most people have more than one debt. You may have high interest credit cards, loans, and mortgages. To pay off one debt, you may need to borrow from someone else, creating yet another debt. The solution to this problem is debt consolidation.

If you own a home, you may qualify for a debt consolidation home equity loan. With a debt consolidation loan you can consolidate each of your high interest credit cards, as well as your consumer loans, into one inexpensive and affordable monthly payment, with a plan to pay off the debt over a specified period of time.

(APR = annual percentage rate. Variable rate product, offer is available to qualified borrowers, closing fees may apply, interest rate may adjust, with a maximum APR of 18%. Limited time offer)

CONSOLIDATE DEBTS WITH A HOME EQUITY LOAN

CONSOLIDATE YOUR LOANS

Most people have more than one debt. You may have high interest credit cards, loans, and mortgages. To pay off one debt, you may need to borrow from someone else, creating yet another debt. The solution to this problem is debt consolidation.

If you own a home, you may qualify for a debt consolidation home equity loan. With a debt consolidation loan you can consolidate each of your high interest credit cards, as well as your consumer loans, into one inexpensive and affordable monthly payment, with a plan to pay off the debt over a specified period of time.

(APR = annual percentage rate. Variable rate product, offer is available to qualified borrowers, closing fees may apply, interest rate may adjust, with a maximum APR of 18%. Limited time offer)

CONSOLIDATE DEBTS WITH A HOME EQUITY LOAN

CONSOLIDATE YOUR LOANS

Most people have more than one debt. You may have high interest credit cards, loans, and mortgages. To pay off one debt, you may need to borrow from someone else, creating yet another debt. The solution to this problem is debt consolidation.

If you own a home, you may qualify for a debt consolidation home equity loan. With a debt consolidation loan you can consolidate each of your high interest credit cards, as well as your consumer loans, into one inexpensive and affordable monthly payment, with a plan to pay off the debt over a specified period of time.

(APR = annual percentage rate. Variable rate product, offer is available to qualified borrowers, closing fees may apply, interest rate may adjust, with a maximum APR of 18%. Limited time offer)

CONSOLIDATE DEBTS WITH A HOME EQUITY LOAN

CONSOLIDATE YOUR LOANS

Most people have more than one debt. You may have high interest credit cards, loans, and mortgages. To pay off one debt, you may need to borrow from someone else, creating yet another debt. The solution to this problem is debt consolidation.

If you own a home, you may qualify for a debt consolidation home equity loan. With a debt consolidation loan you can consolidate each of your high interest credit cards, as well as your consumer loans, into one inexpensive and affordable monthly payment, with a plan to pay off the debt over a specified period of time.

(APR = annual percentage rate. Variable rate product, offer is available to qualified borrowers, closing fees may apply, interest rate may adjust, with a maximum APR of 18%. Limited time offer)

CONSOLIDATE DEBTS WITH A HOME EQUITY LOAN

CONSOLIDATE YOUR LOANS

Most people have more than one debt. You may have high interest credit cards, loans, and mortgages. To pay off one debt, you may need to borrow from someone else, creating yet another debt. The solution to this problem is debt consolidation.

If you own a home, you may qualify for a debt consolidation home equity loan. With a debt consolidation loan you can consolidate each of your high interest credit cards, as well as your consumer loans, into one inexpensive and affordable monthly payment, with a plan to pay off the debt over a specified period of time.

(APR = annual percentage rate. Variable rate product, offer is available to qualified borrowers, closing fees may apply, interest rate may adjust, with a maximum APR of 18%. Limited time offer)

CONSOLIDATE DEBTS WITH A HOME EQUITY LOAN

CONSOLIDATE YOUR LOANS

Most people have more than one debt. You may have high interest credit cards, loans, and mortgages. To pay off one debt, you may need to borrow from someone else, creating yet another debt. The solution to this problem is debt consolidation.

If you own a home, you may qualify for a debt consolidation home equity loan. With a debt consolidation loan you can consolidate each of your high interest credit cards, as well as your consumer loans, into one inexpensive and affordable monthly payment, with a plan to pay off the debt over a specified period of time.

(APR = annual percentage rate. Variable rate product, offer is available to qualified borrowers, closing fees may apply, interest rate may adjust, with a maximum APR of 18%. Limited time offer)

CONSOLIDATE DEBTS WITH A HOME EQUITY LOAN

CONSOLIDATE YOUR LOANS

Most people have more than one debt. You may have high interest credit cards, loans, and mortgages. To pay off one debt, you may need to borrow from someone else, creating yet another debt. The solution to this problem is debt consolidation.

If you own a home, you may qualify for a debt consolidation home equity loan. With a debt consolidation loan you can consolidate each of your high interest credit cards, as well as your consumer loans, into one inexpensive and affordable monthly payment, with a plan to pay off the debt over a specified period of time.

(APR = annual percentage rate. Variable rate product, offer is available to qualified borrowers, closing fees may apply, interest rate may adjust, with a maximum APR of 18%. Limited time offer)

CONSOLIDATE DEBTS WITH A HOME EQUITY LOAN

CONSOLIDATE YOUR LOANS

Most people have more than one debt. You may have high interest credit cards, loans, and mortgages. To pay off one debt, you may need to borrow from someone else, creating yet another debt. The solution to this problem is debt consolidation.

If you own a home, you may qualify for a debt consolidation home equity loan. With a debt consolidation loan you can consolidate each of your high interest credit cards, as well as your consumer loans, into one inexpensive and affordable monthly payment, with a plan to pay off the debt over a specified period of time.

(APR = annual percentage rate. Variable rate product, offer is available to qualified borrowers, closing fees may apply, interest rate may adjust, with a maximum APR of 18%. Limited time offer)

CONSOLIDATE DEBTS WITH A HOME EQUITY LOAN

CONSOLIDATE YOUR LOANS

Most people have more than one debt. You may have high interest credit cards, loans, and mortgages. To pay off one debt, you may need to borrow from someone else, creating yet another debt. The solution to this problem is debt consolidation.

If you own a home, you may qualify for a debt consolidation home equity loan. With a debt consolidation loan you can consolidate each of your high interest credit cards, as well as your consumer loans, into one inexpensive and affordable monthly payment, with a plan to pay off the debt over a specified period of time.

(APR = annual percentage rate. Variable rate product, offer is available to qualified borrowers, closing fees may apply, interest rate may adjust, with a maximum APR of 18%. Limited time offer)

CONSOLIDATE DEBTS WITH A HOME EQUITY LOAN

CONSOLIDATE YOUR LOANS

Most people have more than one debt. You may have high interest credit cards, loans, and mortgages. To pay off one debt, you may need to borrow from someone else, creating yet another debt. The solution to this problem is debt consolidation.

If you own a home, you may qualify for a debt consolidation home equity loan. With a debt consolidation loan you can consolidate each of your high interest credit cards, as well as your consumer loans, into one inexpensive and affordable monthly payment, with a plan to pay off the debt over a specified period of time.

(APR = annual percentage rate. Variable rate product, offer is available to qualified borrowers, closing fees may apply, interest rate may adjust, with a maximum APR of 18%. Limited time offer)
We can help your business GROW!

At Northland Area Federal Credit Union, we understand small business. We know that it is important to find a comprehensive money management package. We offer a complete range of top quality services to meet your needs, including:

- A Business Loan Package with very competitive rates and professional service.
- A no minimum balance, low fee Business Checking Account.
- Home Banking service, for 24 hour access to your account.
- A Credit Card Service Program to handle all your customer credit card deposits.
- And much more!

Call us today: 1-800-336-2328

Just file it! We’ll help.

If you’re like millions of Americans, you work hard, but you don’t earn a high income, and want to keep more of what you earn. The Earned Income Tax Credit (EITC) is a credit for people who earn low-to-moderate incomes. EITC can reduce your taxes, and can mean a refund. Bottom line, working families and individuals may keep more of what they work for.

Your Credit Union Can Help.

Northland is providing free tax preparation services for low and moderate income individuals and families who qualify for the EITC and state income tax credits, such as the Home Heating Credit and Prescription Drug Credit. The federal income tax benefits alone can be as great as $4,716.00 for individuals or families with two children — and nearly doubled when paired with state tax credits.

Introducing “Just file it! We’ll help.”

Beginning January 15, 2008, your credit union will make available Web access to free tax preparation software that will enable eligible low income individuals and families to file their state and federal income tax. There is no cost to you.

What about other tax credits for low-income families?

There are a variety of federal and state tax credits in addition to the EITC that can benefit low to moderate-income individuals, such as the Home Heating Tax Credit, the Homestead Property Tax Credit, and the Child Deduction.

Am I Eligible?

You must file income taxes and have earned income to file for the EITC. Those who qualify for the EITC may also qualify for one or more state tax credits. Eligibility is largely based on adjusted gross income.

Can anyone file taxes using this software?

Those that qualify for low-income tax credits, such as the Federal Earned Income Tax Credit or state credits including the Home Heating Credit are eligible to use the program, as well as most wage earners earning up to $50,000 a year. The program will also allow filers to file Schedule A - Itemized Deductions and Schedule B - Capital Gains and Losses.

WE WILL BE CLOSED...

Northland Area Federal Credit Union will be closed Monday, February 18, 2008, in observance of President’s Day.

CREDIT UNION HOURS

<table>
<thead>
<tr>
<th></th>
<th>Lobby</th>
<th>Drive-Thru</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mon.-Thurs.</td>
<td>9-5</td>
<td>9-6</td>
</tr>
<tr>
<td>Friday</td>
<td>9-6</td>
<td>9-6</td>
</tr>
<tr>
<td>Saturday</td>
<td>Closed</td>
<td>9-1</td>
</tr>
</tbody>
</table>

The Harrisville lobby is open Saturdays from 9 a.m. - 1 p.m.

After hours call the appropriate emergency number listed below:

To Report Lost or Stolen Cards:
- ATM or ATM/Debit Cards: 1-800-754-4128
- VISA® Credit Cards: 1-800-991-4961

To Report Lost or Stolen Travelers Cheques/Money Orders:
- Travelers Cheques: 1-800-221-7282 (USA)
- Money Orders: 1-800-542-3590

MISSION STATEMENT

The mission of Northland Area Federal Credit Union is to provide friendly, professional member service while maintaining mutual trust.