

MCFCU HOLIDAY LOAN NOTE

You promise to pay the Credit Union the principal amount plus interest on the unpaid balance according to the payment schedule and rate listed on the reverse side. The rest of the terms and conditions of this Note are listed herein. You also pledge your account in the Credit Union in accordance with the "Pledge of Savings." However, if payments on this loan are up-to-date, Borrower(s) can withdraw shares and/or deposits in excess of the outstanding amount.

- A. Prepayment: You can repay all or any part of this loan at any time without penalty.
- B. If a payment is 11 days or more late, you may be charged 20% of the interest due.
- C. Default: You are in default if you fail to make a payment on this loan on time. You are also in default under this Note if you are in default under the "Security Agreement" (if applicable) or under any security agreement or real estate mortgage securing this loan.
- D. Acceleration: If you are in default, any part of this loan then unpaid and any other amounts you owe under the "Security Agreement" if applicable or under any other security agreement or real estate mortgage securing this loan are due and payable in full without notice to you (unless such a mortgage provides otherwise), at the Credit Union's option.
- E. Waiver of Security: The Credit Union waives any security for this loan or for any refinancing of all or part of this loan or for any sum owing under any security agreement or real estate mortgage securing this loan, other than

the security granted by the "Pledge of Savings" in paragraph G, by any security agreement or real estate mortgage securing this loan and security provided by statute.

- F. Completing Note: You authorize the Credit Union to complete this Note in any necessary respect if it is executed while incomplete.
- G. Pledge of Savings: As security for all amounts owing under this Note and under any security agreement and/or real estate mortgage securing this loan, you pledge all shares and/or deposits (including earnings and additions) you now or in the future have in this Credit Union, but only up to the total of such amounts unpaid from time to time. If you default, you authorize the Credit Union to apply such shares and/or deposits to payment of these amounts. This pledge does not apply to shares and/or deposits in an Individual Retirement Account (IRA) Keogh Plan. Regardless of this pledge, if payments on this loan are up-to-date, Borrower(s) can withdraw shares and/or deposits to the extent indicated on this form.
- H. Insurance Eligibility: A Debtor or Co-Debtor is eligible for insurance hereunder provided he or she is not over the Maximum Age specified in the Schedule for the coverage applied for on each Loan Date. In addition, for disability insurance, the Debtor must be actively and physically present at work in an occupation or employment for wages or profit on a full-time basis for at least 30 hours per week for a period of not less than fourteen days immediately prior to the Effective Date of this certificate. The Co-Debtor is not eligible for disability insurance.

COMMUNICATOR

Michigan Columbus Federal Credit Union

January 2003

Auto Loan Special



Rates As Low As
5.25%
Fixed APR*
1999-2003 Vehicles



The new models are here! If you're in the market for a new vehicle, now is the time to take advantage of the discounts and specials on both new and used vehicles, and the credit union's great low rates. From now until March 31, 2003, finance your vehicle with rates as low as 5.25% fixed APR* and receive a free cooler. Just in case you financed a 2002-2003 vehicle through the dealership or another financial institution, refinance that auto loan at MCFCU and save!

Plus, apply for pre-approval before you begin shopping. With a pre-approved loan from your credit union, you'll be better prepared to purchase your vehicle by knowing exactly how much you can afford to spend.

Finance your vehicle at Michigan Columbus Federal Credit Union. It's easy to apply.

- Visit our web site at www.mcfcu.net and apply online.
- Call 734-425-5080 or 800-452-5094.
- Stop by the credit union office.

*APR = Annual Percentage Rate. Rates subject to change. For qualified applicants only. This loan cannot be used to refinance existing loans at Michigan Columbus Federal Credit Union.



Consolidate Your Debt With A MCFCU Home Equity Loan

**Prime Rate
Less 1/4%
(4.00% APR*)
& No Fees**

If you own a home, why not take advantage of the equity in it by applying for a home equity loan at Michigan Columbus Federal Credit Union. Whether you need cash to pay off holiday debt, college tuition, or you're making home improvements this winter, we can help.

- Low rate - Prime less 1/4% (4.00% APR*)
- No fees
- Limits up to 80% of the appraised value (less mortgage & liens)
- Credit limits from \$5,000 to \$100,000
- Interest may be tax deductible (consult your tax advisor)

Combine your bills into one low monthly payment with a MCFCU Home Equity Loan. For current rates or an application, call or stop by the credit union office.

*APR = Annual Percentage Rate. Rate as of 12/2/02 and is subject to change.



News Briefs

New E-mail Address

Effective October 1, 2002, Michigan Columbus Federal Credit Union's new e-mail address is:

memberservices@mcfcu.net

If you have questions or comments regarding the credit union, please feel free to e-mail them to the above address.

Holiday Closings

Martin Luther King, Jr. Day
Monday, January 20, 2003

Presidents' Day
Monday, February 17, 2003

Good Friday
April 18, 2003 (Closing at 12 noon)



30419 W. Six Mile Road
Livonia, MI 48152
(734)425-5080
Fax: (734)425-1181
(800)452-5094

E-Mail: memberservices@mcfcu.net
Web Site: www.mcfcu.net

Office Hours

Monday: 9:30 a.m. - 5:30 p.m.
Tuesday, Wednesday &
Thursday: 9:30 a.m. - 5:00 p.m.
Friday: 9:30 a.m. - 6:30 p.m.
Closed Saturday & Sunday

Management

David Busdeker, President
Barb Bennett, Vice President

Board of Directors

Frank Sheridan, Chairman
Jim Molloy, Vice Chairman
Patrick Casey, Treasurer
Pat Kinney, Secretary
Frank Urban, Director
Larry Vendal, Director
Charles Zuccarini, Director



Annual Meeting

Sunday, April 13, 2003

George F. Monaghan
Knights of Columbus

19801 Farmington Rd.
Livonia, MI

Meeting: 2:00 p.m.

Dinner & Refreshments

Happy New Year!

All of us at Michigan Columbus Federal Credit Union join in wishing you and your family a very happy and prosperous New Year. We look forward to meeting your financial needs throughout 2003 and for many years to come.

There Is Still Time... To Apply For Your MCFCU Holiday Loan

If you spent too much this holiday season, now is the time to pay off those bills with a low-rate Holiday Loan from your credit union. The Holiday Loan is also a great source of cash for winter vacations, minor home improvements, repairs and more.

Choose from these three options:

6.99% Fixed APR* \$1,000 12 Month Term \$86.57/Month	6.99% Fixed APR* \$1,500 24 Month Term \$67.19/Month	6.99% Fixed APR* \$2,500 36 Month Term \$77.23/Month
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*APR = Annual Percentage Rate. Monthly payment is estimate and finance charge may vary with loan date, and your last payment may be less than previous payments. Loan cannot be used to pay off existing loans at MCFCU.

To apply for the special Holiday Loan, fill out the application on page 3 of this newsletter and mail or fax the information to the credit union. The Holiday Loan is available until January 31, 2003, so apply today!



It's Not Too Late... To Contribute To Your IRA For The 2002 Tax Year

You can make contributions until Monday, April 15, 2003 for the 2002 tax year. But, just to make sure your paperwork is completed, you should plan on opening your IRA by April 13, 2003. If you already have a traditional IRA, you might want to consider a Roth IRA. It allows an annual contribution of up to \$3,000 into a qualified plan (deposit either a lump sum or throughout the year). Earnings accumulate tax-free, but contributions are not tax deductible. Also, early withdrawals are permitted for special circumstances, such as the first purchase of a home. For those who qualify, the Roth IRA can be a great savings tool. Please consult your tax advisor for information on which type of IRA is best for you.

For additional information on qualifications and provisions, visit or contact your member service representative.

NOTICE OF PRIVACY PRACTICES FROM MCFCU

IMPORTANT INFORMATION ABOUT THE PERSONAL DATA YOUR CREDIT UNION COLLECTS, AND HOW IT IS USED

To assure the continued privacy and confidentiality of your personal financial information, your credit union observes these practices and procedures:

Information We Collect

We collect non-public information about you from some or all of the following sources:

- Information we receive from you on applications or other forms;
- Information about your transactions with us, our affiliates, or others; and,
- Information we receive from a consumer reporting agency.

Information We Disclose

We do not disclose any non-public personal information about our members and former members to affiliates or non-affiliated third parties except as permitted by law.

Our Security Measures

We restrict access to non-public information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic and procedural safeguards that comply with Federal regulations to guard your non-public personal information.

This notification meets the notification requirements of the National Credit Union Administration regulation on privacy of consumer information, Part 716.



MCFCU Holiday Loan Application

To apply, complete sections 1 and 2 and return this application to your credit union office. We'll process your request right away. Apply soon because this offer ends January 31, 2003.



1 MCFCU Account # _____

Name _____

Spouse's Name _____

Address _____

City _____ State _____ Zip _____

Home Phone # _____ Work Phone # _____

Mortgage/Rent Monthly Payment \$ _____ Checking Balance \$ _____ Savings Balance \$ _____

Social Security Number _____ Date of Birth _____

Employer _____ Monthly Salary (Gross) \$ _____ Years There _____

Previous Employer _____ Years There _____

Amount you wish to borrow:

\$1,000.00 \$1,500.00 \$2,500.00

Purpose of the loan: _____

Deposit the funds into my:

Checking Savings Mail a check

How do you wish to repay your loan?

Transfer from checking Transfer from savings

By mail or in person

2 By signing below, I (we) apply to Michigan Columbus Federal Credit Union for a Holiday Loan and agree to be bound by the terms outlined under Note on the reverse side. I (We) authorize MCFCU to request and obtain all credit and employment information necessary to process this application.

X _____ Applicant's Signature _____ Date _____

X _____ Spouse's Signature (if applicable) _____ Date _____

The Credit Union reserves the right to request additional information, if necessary. First-time borrowers are required to complete additional applications. Call the Loan Department for details.

TRUTH-IN-LENDING DISCLOSURE

\$1,000.00	6.99%
ANNUAL PERCENTAGE RATE: (The cost of your credit as a yearly rate.)	6.99%
Amount Financed: (Amount borrowed)	\$ 1,000.00
TOTAL FINANCE CHARGE:* (The dollar amount the credit will cost you.)	\$ 38.77
Total of Payments:* (The amount you will have paid after you have made all payments as scheduled.)	\$ 1,038.77
12 Monthly Payments:*	\$ 86.57
\$1,500.00	6.99%
ANNUAL PERCENTAGE RATE: (The cost of your credit as a yearly rate.)	6.99%
Amount Financed: (Amount borrowed)	\$ 1,500.00
TOTAL FINANCE CHARGE:* (The dollar amount the credit will cost you.)	\$ 112.52
Total of Payments:* (The amount you will have paid after you have made all payments as scheduled.)	\$ 1,612.52
24 Monthly Payments:*	\$ 67.19
\$2,500.00	6.99%
ANNUAL PERCENTAGE RATE: (The cost of your credit as a yearly rate.)	6.99%
Amount Financed: (Amount borrowed)	\$ 2,500.00
TOTAL FINANCE CHARGE:* (The dollar amount the credit will cost you.)	\$ 280.12
Total of Payments:* (The amount you will have paid after you have made all payments as scheduled.)	\$ 2,780.12
36 Monthly Payments:*	\$ 77.23

If your payment is 15 days or more late, you may be charged 20% of the interest due. You are giving a security interest in your credit union accounts in accordance with the "Pledge of Savings" on the reverse side. For additional information, refer to the Note. Asterisk (*) means estimate.

Finance charge may vary with loan date, and your last payment may be less than previous payments. Approval is subject to our normal credit standards and criteria, and you must apply by January 31, 2003 to qualify for the MCFCU Holiday Loan.

INCOME VERIFICATION: MCFCU may require income verification for all loans.

Credit Union Use Only Loan Approved Loan Denied

Loan Officer _____ Date _____

Comments _____

D/I Ratio: _____ Note Mailed _____ by _____

Apply Today!

Michigan Columbus
FEDERAL CREDIT UNION