

2008 Annual Report



Mission Statement

The mission of Members Trust Federal Credit Union is to assist member-owners in achieving personal financial success. We accomplish this by:

- Managing member assets to ensure the long-term financial stability of the credit union.
- Provide excellent customer service in a confidential and professional manner.
- Offer sound products and services consistent with the needs of our diverse membership.

Table of Contents

Page No.

Introduction	3
Board of Directors and Staff	4
President's Report	5
Supervisory Committee Report	6
Financials	7,8
Moving Forward in 2009	9
Member Services	10

Introduction

For over 45 years, Members Trust Federal Credit Union has been dedicated to establishing and maintaining long-term relationships with our members. We accomplish this by offering a variety of financial products and services – including auto loans, home and home equity loans and a wide array of savings, certificate and money market products. MTFCU makes every effort to offer low interest rates on loans, high dividends on our deposit products, 24/7 account access with our online banking and audio teller.

Board of Directors: (elected)

Jeanne Brauns	Chairperson
Carol Spicer	Vice-Chairperson
Mark Foutch	Treasurer
Darlene Freeman-rosser	Secretary
Jim Bettner	Director
John Brault	Director
Todd Cain	Director
Dave Freytag	Director
Chris Ray	Director

Supervisory Committee:

Jeanne Brauns
Michael Jessee
Open Position

Credit Union Staff:

Todd Cain	President
Geri Adams	Lending Officer
Jamie Tomlin	Operations Manager
Jill Bess	Collections Officer
Rachel Burgess	Member Service Rep.
Nancy Harris	Member Service Rep.

President's Report

2008 was a challenging year for our nation and the economy. The United States lost over 2.6 million jobs and almost everyone who owned a home saw their home value decrease. President Obama was quoted as saying "Rarely in history has our country faced economic problems as devastating as this crisis".

The financial services industry was at the forefront of this crisis. Companies like AIG, Citigroup, Bank of America and many others were given billions of taxpayer dollars in an attempt to keep the economy moving.

The credit union community has not been immune to this crisis. Our corporate credit union system has exposure in other-than-government-guaranteed investments, which have put a strain on the liquidity in the system.

Despite the current economic state, you will see in our financial reports and year in review, Members Trust had another outstanding year. We introduced several new services such as: eStatements, online banking enhancements, and a new data processing platform.

As we look forward to 2009, we want reassure you that the Board of Directors, management and staff will continue to work hard in order to protect your credit union and provide the best products and services possible.

Finally, the staff and I thank you for your continued support. This is your credit union and your recommendations on how we can improve and/or enhance our services are important, necessary and appreciated. We look forward to serving your financial needs now and in the future.

Todd Cain
President

Solid Foundation

Members Trust Federal Credit Union's Supervisory Committee is made up of three volunteer members and independently evaluates the strength and soundness of MTFCU's operations and activities. We work alongside our internal auditors, the Board of Directors, the President and employees of MTFCU to ensure that the assets are safeguarded.

Based on our external audits of the operations of MTFCU, conducted by Whitmer & Company, Members Trust FCU is in excellent financial condition.

The National Credit Union Administration (NCUA) also completed an audit of our operations and for the second year in a row we received a CAMEL rating of 1. This rating is defined as, "Indicates strong performance that consistently provides for safe and sound operations. Such institutions give no cause for supervisory concern".

For these reasons, the Supervisory Committee believes MTFCU is in solid financial condition and financially well positioned for the future.

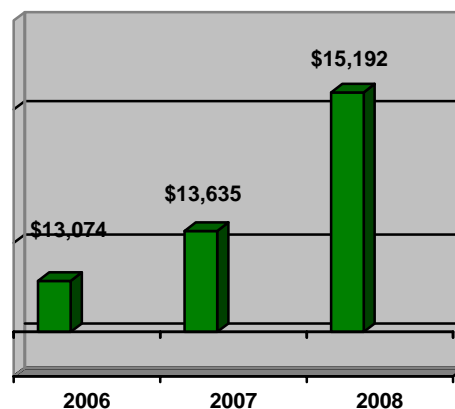
Jeanne Brauns
Supervisory Committee

Consolidated Statement of Financial Condition

December 31, 2008

ASSETS		
Cash and Cash Equivalents	\$	(14,759)
Investments		5,959,350
Loans to Members, net		8,975,353
Accrued Interest Receivable		49,323
National Credit Union Share Insurance Fund Deposit		31,650
Furniture and Equipment		100
Other Assets		191,802
<hr/>		
Total Asset	\$	15,192,819

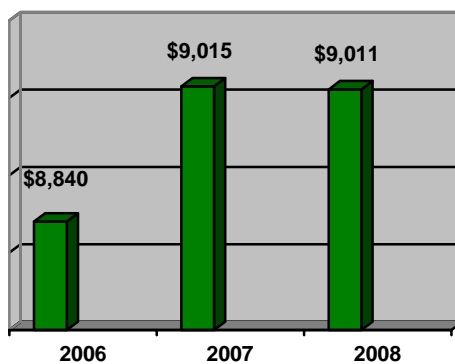
Assets (In Millions)



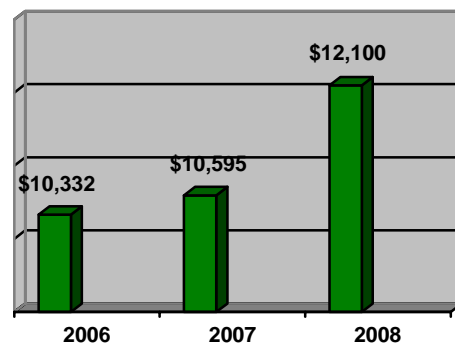
LIABILITIES AND MEMBERS' EQUITY

Liabilities		
Members' Shares		12,096,479
Accrued Expenses and Other Liabilities		94,194
<hr/>		
Total Liabilities	\$	12,190,673
Members' Equity		
Regular Reserves		249,095
Undivided Earnings		2,753,051
<hr/>		
Total Members' Equity	\$	3,002,146
Total Liabilities and Members' Equity	\$	15,192,819

Loans (In Millions)



Deposits (In Millions)



Consolidated Statement of Income

December 31, 2008

8

Members
Trust FCU
Annual
Report 2008

Financials

INTEREST INCOME

Interest on Loans and Visa	\$	601,720
Interest on Investments		225,544

	\$	827,264
--	----	---------

INTEREST EXPENSE

Dividends on Members' Shares	\$	198,995
Interest on Borrowed Funds		36

	\$	199,031
--	----	---------

NET INTEREST INCOME		628,233
PROVISION FOR LOAN LOSSES		38,852

NET INCOME AFTER PROVISION FOR LOAN LOSSES	\$	589,381
---	----	---------

NON-INTEREST INCOME		
Fees and other Income		391,203

	\$	980,584
--	----	---------

GENERAL AND ADMINISTRATIVE EXPENSES

Salaries and Benefits		354,331
Operations		175,847
Office Occupancy		22,282
Professional and Outside Services		230,816
Marketing		5,390
Loan Processing		16,358
Miscellaneous Expenses		1,173

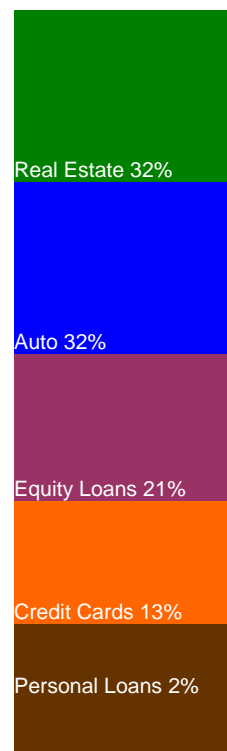
	\$	806,197
--	----	---------

NET INCOME BEFORE NCUSIF STABILIZATION EXPENSE	\$	174,387
NCUSIF Stabilization Expense		70,447 ¹

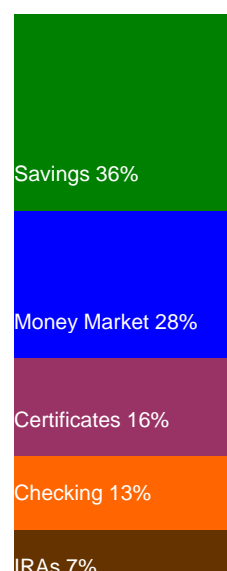
NET INCOME	\$	103,940
------------	----	---------

¹Includes a \$70,447 write-down of our NCUSIF Deposit related to the NCUA's Corporate Stabilization Program.

Distribution of Loan Portfolio



Distribution of Deposit Portfolio



Federal Credit Union

Moving Forward

Another promising and exciting year is under way at MTFCU. As we embark on a new year we will continue to concentrate on our most important assets, our members. Suggestions on how to best serve your needs are always welcome as we move toward a brighter future.

We are committed to offering more financial literacy seminars. As we continue through these uncertain economic times, it's time for all of us to look at our personal finances, create a working budget and gain a better understanding of our credit scores. At MTFCU, we can help you achieve these goals through our member education programs.

Expanding our online banking and ATM services is one of our top priorities. With a growing number of our members living outside the Cincinnati, OH area, we are looking for ways to broaden our remote capabilities. We will accomplish this by redesigning our web site to make it more user friendly and easier to navigate. We are also looking for other ATM networks in an effort to broaden our FREE ATM services.

Most importantly, we will continue to focus our efforts on the financial security of your credit union. The Board of Directors along with our staff are always looking for ways to bring you the best services in the most cost efficient manner.

We hope you continue to give Members Trust the opportunity and privilege of serving your financial needs.

Member Services

Accounts

- * Savings
- * Money Market
- * Checking
- * Certificates
- * IRAs (Traditional, Roth)

Vehicle Loans

- * New & Used Auto Loans
- * Recreational Vehicles
- * Motorcycle Loans
- * Boat Loans

Home & Personal Loans

- * Equity Loans
- * Home Loans
- * Signature Loans
- * Visa Credit Cards

Access

- * 24/7 Online Banking Access
- * Fee Free Withdrawals at over 32,000 CO-OP and Alliance One ATMs Nationwide

Account Services

- * Direct Deposit
- * Overdraft Protection
- * Courtesy Pay
- * Check Card
- * Payroll Deduction

Insurance

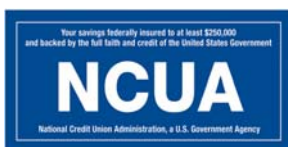
- * Accidental Death and Dismemberment Ins.

Payment Protection

- * Disability Protection
- * Asset Protection

Electronic Services

- * Apply for a Loan
- * Online Bill Payment
- * eStatements
- * Online Banking
- * Open an Account
- * Audio Teller





Federal Credit Union

“Ownership Makes the Difference”

4000 Luxottica Place
Mason, OH 45040
Phone: 800-769-8934
Fax: 513-765-6078
Web: www.memberstrust.org