



March 14, 2008

Honorable Martha Coakley, Attorney General
Commonwealth of Massachusetts
Office of the Attorney General
One Ashburton Place
Room 1811
Boston, MA 02108-1698

Director Daniel Crane
Office of Consumer Affairs & Business Regulation
10 Park Plaza
Suite 5170
Boston, MA 02116

RE: Notice Under M.G.L. Chapter 93H §3

Dear Attorney General Coakley and Director Crane:

Northeast Investors Trust and Northeast Investors Growth Fund (the 'Funds') are Massachusetts business trusts located at 150 Federal Street, Boston, MA 02110-1745. The Funds maintain a secure, password-protected account maintenance web portal for the convenience of our shareholders via which they may access and download account information, including current tax forms. We were notified last week by a single shareholder of an incident of potential, and limited, unauthorized access to shareholder information. Notice has been provided to affected shareholders (copies enclosed herewith), and this notice is provided to your offices pursuant to M.G.L. Chapter 93H.

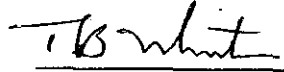
Details of Incident. Each year, the Funds' website is populated with the current tax forms (Forms 1099) for the convenience of their shareholders. Through their password-protected access, shareholders are able to view, download and print additional copies for their reference. The Acrobat PDFs of the 2007 Forms 1099 are created from the Funds' mainframe computer and then uploaded to their secure web server. The Funds have a quality assurance sampling process in place by which a sample of the uploaded forms are reviewed (beginning, middle and end of document run) for accuracy of account posting. This year's Forms 1099 were uploaded to the website on January 25th.

On March 6th, 2008, the Funds received a telephone call from a shareholder notifying them that when attempting to access his own Form 1099, the Form 1099 of another Northeast Investors shareholder was accessible to him through his online account. The Funds immediately undertook an internal investigation and discovered that, through a programming error, the wrong Forms 1099 were uploaded to certain accounts, all of which have been identified by the Funds. This posting error was not discovered in the sampling quality assurance testing. All access to the "Tax Forms" tab in the online account maintenance portal was immediately deactivated during the Funds' investigation. The investigation discovered that 42 online accounts were affected. The Funds received no other telephone calls from shareholders regarding this error.

The programming error involved the personal information of 5 Massachusetts residents and all have been notified. The error was limited in each case to the possible exposure of personally identifiable information of one shareholder to a single person -- another Northeast Investors shareholder. This was not a general security breach or other loss of sensitive information and no misappropriation or misuse of personal information is anticipated.

The uploading process has been examined, the programming error corrected, and improved quality assurance reviews will be implemented prior to the resubmission of the 2007 tax forms and for all tax years going forward. Please contact David Randall, Vice President at 800-225-6704 ext 232 with any questions.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. B. Minturn", written over a horizontal line.

Robert B. Minturn, Vice President
Northeast Investors Trust

A handwritten signature in black ink, appearing to read "R. B. Minturn", written over a horizontal line.

Robert B. Minturn, Vice President
Northeast Investors Growth Fund



March 14, 2008

Dear Shareholder:

It has come to our attention that you may have had online access for a short period of time to another shareholder's Form 1099 instead of your own. Unfortunately, due to a programming error, an unrelated shareholder's Form 1099 was included in place of yours and you may have been able to access that Form 1099 through the "Tax Forms" tab in the online portal. Forms 1099 were properly filed with the Internal Revenue Service. This was not a general data security breach, the type of which has been in the news in the past few months, but a programming error allowing the information of another shareholder to be disclosed improperly to you through this oversight. We are writing to apologize to you for this error.

As soon as we received notice of the error and diagnosed the problem, access to the "Tax Forms" tab on our website was deactivated. The issue has been corrected and access to the "Tax Forms" tab has been restored. Because the Form 1099 that you may have had access to contains personal identification of another shareholder, we are writing to request that, if you have downloaded the form to your hard drive, or if you printed it out, please delete the file or thoroughly destroy the form.

We have a list of all the shareholders who were affected by this programming error. If you did access a Form 1099 that did not belong to you, please help us to protect the personal information of the other shareholder by deleting, or otherwise completely destroying, the Form 1099.

If you have any questions regarding this matter, please call shareholder services at (800)225-6704.

Very truly yours,
Northeast Investors Trust
Northeast Investors Growth Fund



March 14, 2008

Dear Shareholder:

As you know, Northeast Investors Trust and Northeast Investors Growth Fund (the 'Funds') maintain a password-protected website for the convenience of our shareholders. Through this website, shareholders can access tax information about their accounts, including the ability to download a copy of the latest Form 1099. We have just been made aware of a programming error that occurred with this year's tax forms. Inadvertently, your Form 1099 information was posted to another shareholder's online account. The filing of the Form 1099s with the Internal Revenue Service was done properly. We are aware of the other shareholder who may have erroneously received your information and they have been notified, as well. We are writing to apologize to you for this error.

Please be aware that there has been no general breach of our computer system or data. As soon as we received notice of the error and diagnosed the problem, access to the online "Tax Forms" was deactivated. The issue has since been corrected and access to the online "Tax Forms" has been restored.

While this is not a general data security breach of the type which has been in the news in the past few months, and while we do not anticipate any misappropriation or misuse of your personal information, we do want to be sure that you are aware of the situation. There has been no theft or any kind of public release of personal information: your information was inadvertently made available to only one person - another shareholder of Northeast Investors.

In an abundance of caution, you may want to alert the major credit bureaus to the potential access of your information. Call any one of the numbers below and ask a credit bureau to place a fraud alert on your credit file, requesting that creditors contact you before opening new accounts or before making any changes to your existing accounts. NOTE: The other two credit bureaus will be automatically notified to place fraud alerts by the one you contact, and all three credit reports will be sent to you - free of charge.

Equifax - 800-525-6285

Experian - 888-397-3742

Trans Union - 800-680-7289

Additional information on protecting your credit and personal data is also available through the Federal Trade Commission's website at <http://www.consumer.gov/idtheft/> or call the FTC's Identity Theft hotline at 1-888-438-4338.

Although a very limited number of people may have had their privacy breached by this mistake, we understand that this fact affords little comfort to you who was affected. We apologize to you again. If you have any further questions, or you wish to receive help in reporting this incident to the three credit reporting agencies, please call shareholder services, at (800)225-6704.

Very truly yours,
Northeast Investors Trust
Northeast Investors Growth Fund