

## Membership Makes a Difference

If you are a member of a credit union, you belong to an institution that is unique in the financial world. Perhaps you didn't know that. Perhaps you thought that because credit unions often provide many of the same services as a bank, a savings and loan, or any other financial institution, that the only difference was in the name. While it's true that there are similarities among financial institutions, credit unions are driven by a philosophy that sets them apart. Consider this:

## Your Credit Union is a Cooperative.

No one person or organization can own a credit union. It is owned and governed by its member-owners, its only customers. As a result, it exists solely to provide you and other members with a safe, convenient place to save and to obtain loans at reasonable rates, and to provide other needed services.

## Your Credit Union is Not-for-profit.

Since all credit unions are owned by the people who save and borrow there, there are no outside shareholders and no profits. Earnings are returned to members in the form of lower rates on loans, higher returns on savings, and better service.

## Your Credit Union is Volunteer Driven.

The active involvement of volunteers is the cornerstone of the credit union philosophy. A credit union's policy-making Board of Directors, and some of its committees, are made up of individuals elected by the members. Virtually all of these volunteers are unpaid.

In other words, as a shareholder in your credit union you have a say in how it is run. You are a member, not a depositor. Because of this, your credit union's sole commitment is to serving you and the other members of your credit union. It's that simple.

Unfortunately, there are those in business and in government who say that those principles do not make a difference. They say that credit unions aren't truly an alternative to profit-

making institutions.

Nothing could be further from the truth. Here's why:

## CREDIT UNIONS ARE FIRST IN SERVICE:

According to a nationwide survey conducted by the American Banker newspaper, credit union members are the most satisfied users of financial services. In fact, credit unions have been rated tops in service every year since the survey began more than 10 years ago.

## CREDIT UNIONS OFFER AFFORDABLE RATES:

Since credit unions are not-for-profit, earnings are returned to members in the form of lower rates on loans and higher returns on savings. The concept of people helping people in the cooperative spirit—the credit union ideal—makes "real world" sense when it comes to rates.

## CREDIT UNIONS HAVE FEWER COSTLY FEES:

Credit unions assess fewer fees than other financial institutions, and, when fees are charged, they are on average much lower than bank fees. And many require little or no minimum balance on interest bearing checking.

## CREDIT UNIONS PROVIDE ONE-OF-A-KIND SERVICES:

The credit union philosophy of people helping people is put into action every day. For example, a credit union in San Antonio, TX deliberately located its main office in a run down section of the city in order to play a positive role in revitalizing the neighborhood where many of its members live or work. In short, credit unions are often a helpful choice for people who might otherwise go unserved—and alternative services such as these benefit consumers and ultimately society.

In addition, the troubling news in the financial world—failures, closings, insolvencies—have not affected credit unions. Credit unions rank the lowest in financial difficulties among all financial institutions. And there is no safer or sounder federal insurance fund than the one which protects credit union members' savings. Not only is the fund strong, it is also backed by "the full faith and credit" of the U.S. government.

**T**oday, nearly one in every four Americans is a member of a credit union. That amounts to over 60 million people, and the number grows every year. These people continue to support their credit union because they know from first-hand experience that their credit union offers a range of services at affordable rates. And that it provides something that is often missing in other aspects of the business world today—friendly, personal service.

Your credit union is indeed unique. So when it comes time for you to decide where to save for the future, where to obtain loans for today, or where to turn for your everyday financial needs, think of your credit union first. You own it. You have a share in its future. And its safety and soundness is insured.

**Drop by today to learn how we can help you!**



*Presented by the National Association of Federal Credit Unions, an independent trade association representing federally chartered credit unions nationwide.*

©1996, Financial Education Corporation

# The Difference Is **YOU**

*What makes your  
credit union unique  
and what it means  
to you.*