

# WHAT IS A CREDIT UNION?

How is a credit union different than a bank? Credit unions are not-for-profit organizations that exist to serve their members. Like banks, credit unions accept deposits, make loans and provide a wide array of other financial services. But as member-owned and cooperative institutions, credit unions provide a safe place to save and borrow at reasonable rates.



## MEMBER-OWNED

**YOU ARE MORE THAN A MEMBER, YOU ARE PART OWNER.**

Credit unions are owned and controlled by the people, or members, who use their services.

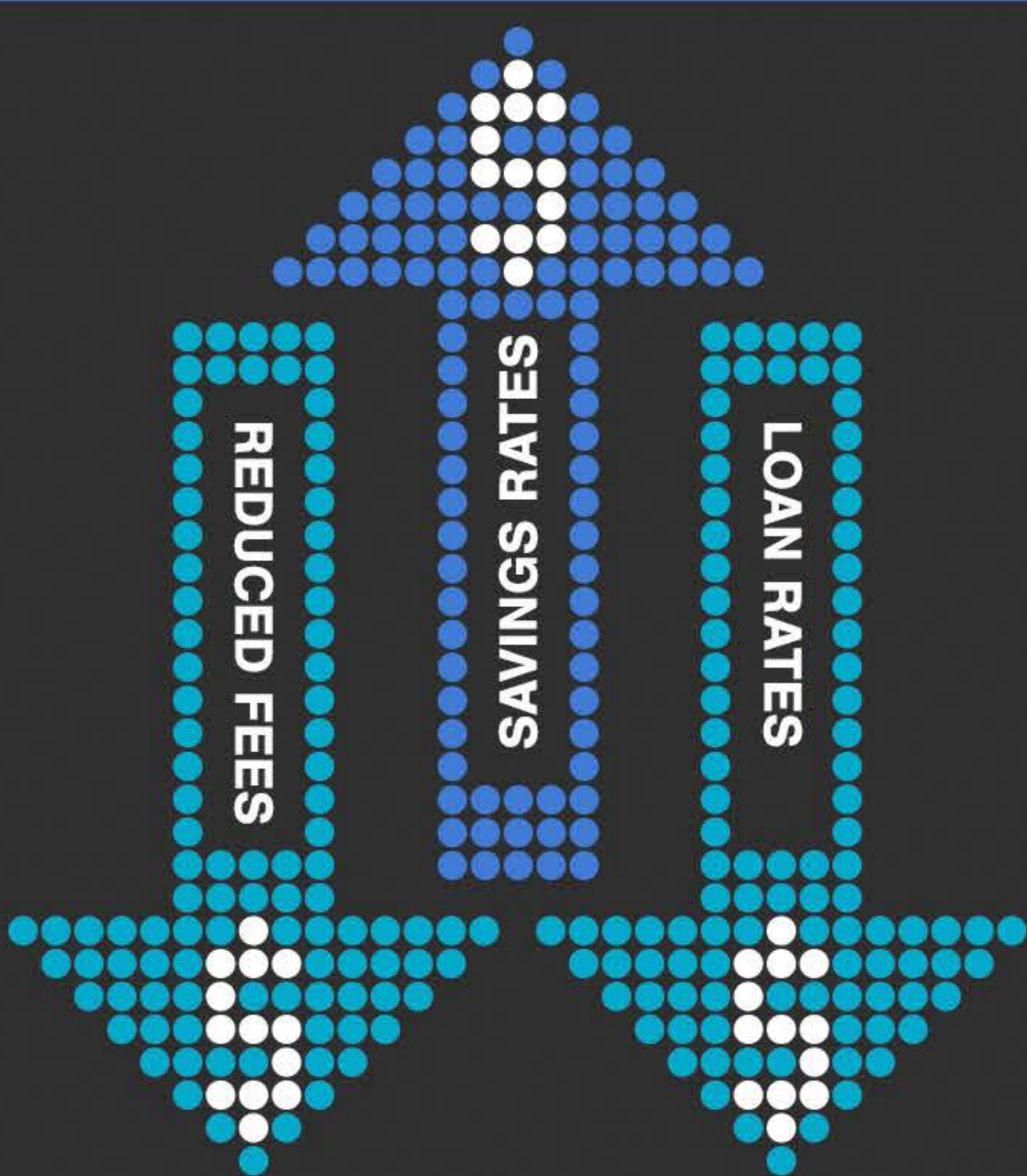
Your vote counts. A volunteer board of directors is elected by members to manage a credit union.



## NOT-FOR-PROFIT

Credit unions operate to promote the well-being of their members.

Profits made by credit unions are returned back to members in the form of reduced fees, higher savings rates and lower loan rates.



## MEMBERSHIP

Members of a credit union share a common bond, also known as the credit union's "field of membership."

You may be able to join based on your:

- A EMPLOYER.** Many employers sponsor their own credit unions.
- B FAMILY.** Most credit unions allow members' families to join.
- C GEOGRAPHIC LOCATION.** Many credit unions serve anyone that lives, works, worships or attends school in a particular geographic area.
- D MEMBERSHIP IN A GROUP.** Membership in a group, such as a place of worship, school, labor union or homeowners' association may qualify you to join.



## COMMUNITY INVOLVEMENT

Members often have shared interests and appreciate participating in an institution designed to help other members.

Credit unions may provide:

- financial education and outreach to consumers;
- in-school credit union branches; and
- small business needs.



## COOPERATIVE



The cooperative structure of credit unions creates a cycle of mutual assistance towards the common goal of the financial well-being of members.



One member's savings becomes another member's loan.

## CONNECT

- MyCreditUnion.gov — NCUA's consumer website.
- CU Locator — Locate a credit union near you.
- @MyCUGov — Stay up-to-date on consumer financial protection issues.
- NCUA Fraud Prevention Center — Learn about common frauds and scams targeting consumers.
- Find An Answer — More than 300 answers to frequently asked questions on consumer protection and share insurance matters.
- Share Insurance Estimator — Calculate the amount of your insured funds at a federally insured credit union.
- NCUA's YouTube Channel — View NCUA's Consumer Report series to learn more about current financial hot topics.

