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www.mncun.org

Credit unions are unique organizations because they are not-for-profit financial institutions that exist to provide exemplary service to consumers, which they call members. At a credit union, members are owners of the organization and have an equal voice in the credit union’s operations, regardless of the amount they have on deposit. Credit unions believe that access to high quality, low-cost financial services is critical to the financial health and stability of ordinary Minnesotans.

WHAT IS A CREDIT UNION?

A credit union is a member-owned, not-for-profit financial cooperative formed to provide members products and services that meet their unique needs. Credit union membership offers numerous benefits including access to savings, financial education and counseling, home equity loans, IRAs and more.

Credit unions are democratic organizations owned and controlled by their members. Each member receives one vote regardless of whether they have \$1 or \$100,000 on deposit at the credit union.

Just as banks have FDIC insurance, money at all Minnesota credit unions is also backed by the full faith and credit of the U.S. government. The National Credit Union Share Insurance Fund (NCUSIF) insures a member’s shares on deposit at a credit union up to \$250,000.

WHAT IS THE DIFFERENCE BETWEEN CREDIT UNIONS & BANKS?

While consumers may think that credit unions look like banks from the outside, they are very different on the inside. Review the chart below to discover the differences between banks and credit unions.

CREDIT UNIONS	BANKS
Not-for-profit cooperatives.	For-profit organizations.
Credit unions return earnings to members in the form of lower loan rates, higher savings rates, and free or low-cost services.	Banks returns profits to shareholders.
Each person who deposits money into the credit union is a member with a share of ownership.	Customers have no ownership in the corporation.
Credit unions are controlled by volunteer Board of Directors who are elected by members.	Banks are controlled by stockholders who elect the Board of Directors.
Credit unions are only allowed to serve a select group of individuals that have a common bond.	Banks can serve anyone in the general public.

MINNESOTA CREDIT UNION NETWORK: SERVING CREDIT UNIONS

The Minnesota Credit Union Network (MnCUN) is the statewide organization that represents the needs and interests of credit unions in Minnesota.

MnCUN ensures the success, growth and vitality of our member credit unions by creating a positive public environment through leadership, political advocacy, education, awareness and regulatory assistance.

CONTACT US

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MINNESOTA CREDIT UNION NETWORK



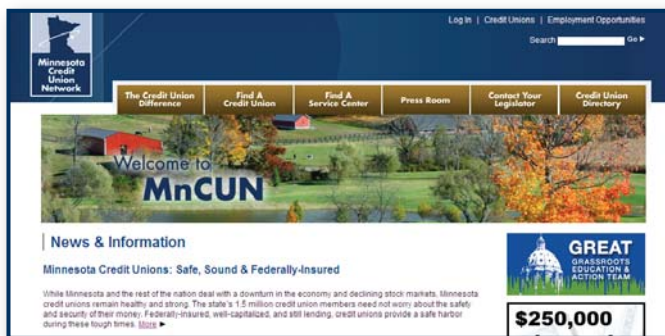
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**The voice for
Minnesota's credit unions.**

The Minnesota Credit Union Network's web site is the source for information on the state's credit unions. The consumer section of the web site contains a plethora of credit union information. Visit www.mncun.org today!

- ▶ Learn basic facts about credit unions
- ▶ Access credit union statistics
- ▶ Find a credit union



- ▶ Read MnCUN press releases
- ▶ Obtain credit union contact information
- ▶ And more!

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CREDIT UNIONS: AN IMPORTANT FINANCIAL CHOICE!

Individuals at a credit union own the organization where they save, borrow, and obtain financial services.

Who can belong to a credit union?

Credit unions are restricted to only serving those connected to one another by a common bond. Members may all work for the same employer or in the same industry, be affiliated with a particular organization or religion, or live in the same geographic area.

Who owns a credit union?

When a person joins a credit union, they become one of the owners and shareholders of the institution. The democratic nature of credit unions allows all members to have an equal voice in the operation of the organization regardless of the amount each person has on deposit.

Who receives the profits in a credit union?

As not-for-profit cooperatives, credit unions return revenue to members in the form of fewer fees, lower rates on loans and higher rates on savings. Credit unions are not owned by a group of stockholders, meaning that all members benefit, rather than a select few.

THE IMPORTANCE OF CREDIT UNIONS IN MINNESOTA

Credit unions are important in the state's financial system because their operation puts people before profit.

- 1 **Competition:** Competition between financial service providers ultimately benefits the consumer. When financial institutions are forced to compete with one another, they must work hard to provide quality services at a competitive rate.
- 1 **Choice:** Credit unions do more than just add to the number of financial institutions in the marketplace – they offer a completely different business model for providing financial services to consumers.
- 1 **Standards:** The top priority for credit unions is to improve services for members, not to improve profits for stockholders. When credit unions provide exceptional service to their members, they raise the bar for all other financial institutions. **Ultimately all consumers benefit.**