

Separating Fact from Fiction

Even though there are over 250 credit unions in Canada, misconceptions about their structure and services still exist. We address four persistent credit union myths below.

4 CREDIT UNION MYTHS

Some people mistakenly believe that credit unions are limited, compared to big banks.

MYTH #1

“Credit unions are basically banks with fewer services”

REALITY: Credit unions offer all the same services as big banks: credit, debit, savings, loans and more. Thanks to innovations in online banking, financial institutions can be big on service—even when they’re small in size.



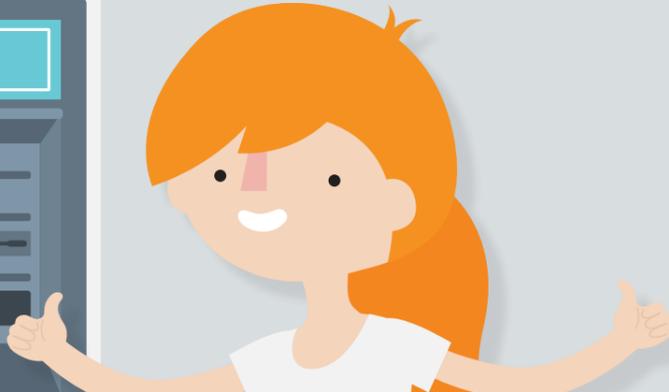
IT PAYS TO BE A MEMBER

As a member, you own a share of your credit union and share in its success through **better interest rates** and **fewer fees**.

MYTH #2

“It’s harder to access your money when you bank at a credit union”

REALITY: Credit unions form a **nationwide ATM network** to increase accessibility to your finances. Online banking features and top customer service add to the convenience.



MYTH #3

“Credit union deposits aren’t insured”

REALITY: Provincially chartered credit unions have their own provincial insurance fund to keep your money safe. Federally chartered credit unions are insured by the Canada Deposit Insurance Corporation.

DID YOU KNOW?

Government regulators work with credit unions to protect you. Protection at credit unions ranges from a maximum of \$100,000 to unlimited coverage, depending on the province.



MYTH #4

“It’s too hard to switch to a credit union”

REALITY: Making the switch from a bank to a credit union is easier than you might think. Some credit unions even offer “switch kits”, which contain all of the paperwork you need in one convenient package.

MAKING THE SWITCH

Follow the steps below to ensure a smooth transition:



Check your eligibility. Some credit unions require you to live within a certain area or be connected to a certain industry.



Fill out some forms. Reach out to your credit union to see if they have a switch kit, or for additional guidance.



Transfer your funds. Don’t forget to update your direct deposit information, your automatic debits and your online payments.



Close your previous account. Once you are sure all of your banking information has been updated, close your old account.

BROUGHT TO YOU BY



Sources: AmeriChoice Federal Credit Union, Bankrate, CCUA, CUInsight, Financial Consumer Agency of Canada, Lifehacker, The Motley Fool, NCUA, OUR Credit Union