

## **CREDIT UNION NEWSLETTER ARTICLE**

### **Credit unions celebrate 90 years of putting people first**

When it comes to managing your hard-earned money, it's important to choose a financial services provider that makes your needs their top priority.

Credit unions are uniquely focused on helping people reach their financial goals, whether that is saving for the future, buying a car, or reducing debt. That's because they are not-for-profit financial cooperatives owned by their members and part of a larger Movement that has helped generations of Americans build a better life.

The credit union concept in America dates to the early 1900s when it was difficult to be approved for a traditional bank loan unless you could guarantee repayment. That put the dream of homeownership beyond reach for most people. In addition, business owners and farmers often faced financial ruin when they couldn't access credit in times of crisis.

The earliest U.S. credit unions formed when neighbors and co-workers pooled their funds to provide low-interest loans. This idea of cooperative credit spread quickly, with many states passing laws that allowed credit unions to form under state charters. In June 1934, the National Credit Union Act was signed into law, paving the way for more credit unions to organize and operate with federal oversight. Today, more than 140 million Americans belong to a credit union and benefit from being part owners in an independent financial cooperative.

#### **Why are credit unions unique?**

The Credit Union Movement's founding principles of cooperative banking are based on thrift and voluntary membership. Credit unions are owned and controlled by members who earn interest on products they use. Credit union accounts, called shares, are insured to protect members' savings, just like funds would be in a bank.

#### **Service tailored to you**

Credit unions customize services for each member. Since they have no sales quotas to meet, they can recommend the best products for each member's individual situation.

#### **Better rates: lower fees**

Credit unions return profits to members through lower interest rates and fees. Similar to a bank, credit unions may offer savings and checking accounts, credit cards, mortgage, auto, and small business loans. However, their rates are typically lower than traditional banks.

#### **Shared branch network**

Not long ago, credit union members could only make transactions at their local credit union. Through a program called Shared Branching, members can access their accounts through a national network of 5,000 credit unions and 30,000 surcharge-free ATMs.

#### **Credit unions improve communities**

As a local business member, credit unions are committed to improving the community where members live and work. They often sponsor financial education and support other community programs.

#### **Financial education is a priority**

Credit unions are deeply committed to promoting financial literacy and empowerment within their communities through comprehensive financial education and coaching programs that help

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members understand budgeting, saving, investing, and credit management. Many credit unions also run student-run branches, which help students financially prepare for their future.

The Credit Union Movement in America is alive and thriving at 90 years, with more than 4,500 credit unions focused on helping people advance along their financial journey. To find a credit union near you, visit [yourmoneyfurther.com](https://yourmoneyfurther.com).

### **For Social Media**

**#creditunions #peoplehelpingpeople #moneymatters**

- For 90 years, credit unions have put people's needs first. Learn why: *Link to release/article*
- Did you know credit unions return profits to their members? Learn more: *Link to release/article*
- Need a loan? Credit unions operate on the concept of cooperative credit, which saves you money. *Link to your credit union*
- Need help with your finances? Talk to a credit union. Your goals are our first priority. *Link to your credit union*