

# 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.



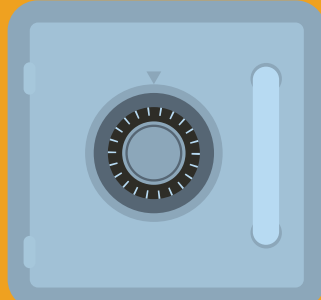
### MYTH #3

*“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.

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