

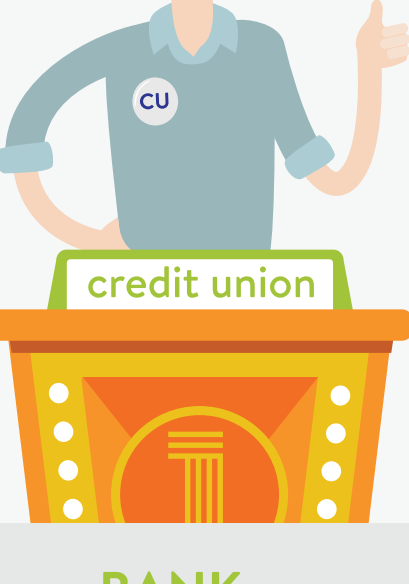
# Choosing your FINANCIAL INSTITUTION

- IT'S A -  
**MONEY THING™**



## Let's start with THE BASICS

As you contemplate moving beyond your piggy bank, the two types of financial institutions that you're most likely to deal with are banks and credit unions. They offer essentially the same products and services including savings and chequing accounts, credit cards, auto loans, mortgages and investment products, but their values and motivations are very different.



### CREDIT UNION

- Member-owned financial cooperative
- People before profits—excess earnings are distributed to credit union members in the form of profit sharing, lower loan rates or higher yields on savings
- Run by a local board of directors who are elected by fellow credit union members
- Members can vote on how credit union is run
- Membership eligibility is typically open, make sure to check with your local credit union

### BANK

- Shareholder-owned financial institution—not owned by bank customers
- For profit—profits not shared with bank customers
- Run by paid board of directors, not necessarily bank customers
- Customers have no say in how bank is run
- Open eligibility, anyone can be a customer



### PIGGY BANK

- Owned by you
- No costs, earnings or profits
- Limited features and security
- Susceptible to dust and breakage

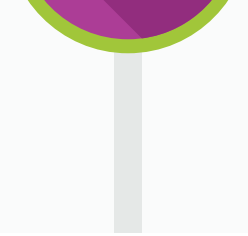
## Think about YOUR ACCESS

### BANK

### CREDIT UNION

#### Access to money while traveling

The big banks have ATMs in most major cities. This will give you free access to your money nationwide. However, if you need to use another financial institution or convenience store ATM, get ready to pay a larger service charge.



Unlike national banks that have ATMs across the country, credit unions are typically community based with far fewer locations. However, most Canadian credit unions belong to a shared ATM network that allows you to use other credit union and bank ATMs free of charge.

#### Largest combined surcharge-free ATM networks

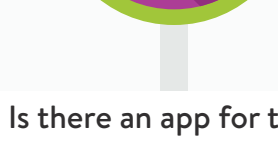
**4,200**

Royal Bank of Canada



**3,300**

Exchange & Acculink Networks



#### Is there an app for that?

Banks, especially the larger ones, typically offer great technology. Banking apps will help you support your love for on-demand banking on your smart phone.

You may not think that credit unions provide the latest technology, however most have caught on and provide mobile apps that are comparable to the banks.

## Think about YOUR MONEY

On average, the largest credit unions have **lower fees than the largest banks**

**Credit unions have LOWER FEES**

**BANK \$10.35** **CU \$4.85**

Average monthly fee for basic day-to-day chequing account

**BANK \$2.07** **CU \$1.85**

Average fees to use another financial institution's ATM (outside of network)

**BANK \$45.00** **CU \$41.50**

Average overdraft fee

### Credit unions offer HIGHER YIELDS ON SAVINGS



The average credit union account accrues **35% higher interest than a bank** account of the same type.

### Banks and credit unions are BOTH VERY SAFE

Your money is safe at a credit union. In fact, credit union members often have higher deposit protection than a Canadian Chartered Bank. Provincial government regulators work with credit unions to protect you. Protection ranges from \$100,000 to unlimited depending on the province.



## Think about YOUR SATISFACTION

When customers weigh in, credit unions win. Banks fell short of credit unions. Credit unions are the recipient of the **Ipsos Best Banking Award 2013** for Customer Service Excellence among all financial institutions for the 9th consecutive year!



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Sources: Credit Union Central of Canada, Exchange Network, Ipsos Market Research, fee schedule survey of five largest Canadian banks compared to five largest Canadian credit unions

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