

WHY JOIN A CREDIT UNION?

What is a Credit Union?

A credit union is a not-for-profit, cooperative financial institution, owned and controlled by the members who use its services. As consumer-owned businesses, credit unions operate solely to provide low-cost, vital financial services and resources to its members.

Who is Eligible?

Virtually anyone in the U.S. can join a credit union based on where they live, work, or worship. Anyone who lives or works in Washington State is eligible to join a credit union. In 2004, Group Health Credit Union (GHCU) expanded its charter to allow anyone who lives or works in Washington State to join, and currently serves nearly 30,000 members.

Credit Unions vs. Banks

Banks are for-profit institutions that are owned by outside stockholders and controlled by paid boards, which are responsible for boosting profits through higher fees and loan rates.

Credit unions are not-for-profit financial institutions formed by members with a common bond who pool their assets to provide loans and other financial services to each other. Because credit unions exist to serve their members, they distribute profits as dividends to their members (not shareholders) and offer lower loan rates, higher savings rates and fewer service fees than banks. Credit Unions are governed by a volunteer Board of Directors elected from the credit union membership base.

Like bank deposits, credit union deposits are insured for up to \$250,000 by the National Credit Union Administration (the Emergency Economic Stabilization Act increased the insurance deposit limit from \$100,000 to \$250,000 until December 31, 2013). Not one penny of insured savings has ever been lost by a member of a federally insured credit union.

The Credit Union Difference

Because credit unions like Group Health Credit Union have members, not shareholders, they can keep fees and interest rates on loans lower and returns on savings products higher. Most credit unions offer free checking accounts, and fees for other account activities tend to be much lower than banks.

The Credit Union National Association estimates that the nation's 90 million credit union members save approximately \$8 billion a year thanks to better interest rates and reduced fees.

	GHCU	Bank of America¹	Wells Fargo¹
Basic checking	FREE + Free online bill pay	\$8.95	Free with \$6.95/mo. online bill pay
"Premium" checking Account/mo.	\$6	\$13-15	\$8-25 ²
Overdraft/NSF	\$25/item	\$35/item + \$35/every 5 days overdrawn	\$35/item
Not-our-ATM	NO FEE from GHCU	\$2-5	\$2.50-\$5 ³
Overdraft protection transfer fee	\$3/transfer	Min. \$10/transfer	\$10/transfer

1 Information on fees gathered from fee schedules posted on banks' registered websites as of April/June 17, 2009

2 Fees apply if package, service and balance requirements aren't met.

3 A daily maximum of 10 paid and/or Returned Item fees applies.