

# Separating Fact from Fiction

Even though there are over 5,000 credit unions in the United States, 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.



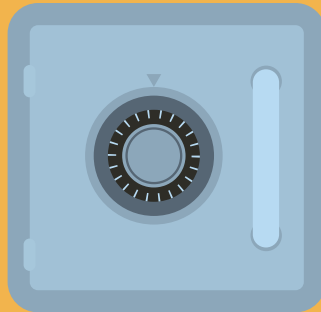
### MYTH #3

*“Credit union deposits aren’t insured”*

**REALITY:** While they don’t have the same federal insurance fund that banks have, credit union deposits have their own federal or state insurance fund to keep your money safe.

#### DID YOU KNOW?

Deposits at all federal credit unions and most state-chartered credit unions are covered by the **National Credit Union Share Insurance Fund (NCUSIF)**.



### 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.

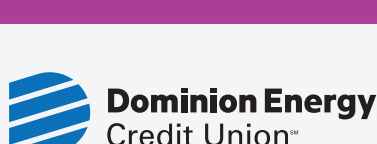


**Transfer your funds.** Don’t forget to update your direct deposit information, your automatic debits and your online payments.



**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, CUInsight, CUNA, Lifehacker, The Motley Fool, NCUA, OUR Credit Union