



Alabama Credit Union League

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FOR IMMEDIATE RELEASE

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YES, Your Money IS Safe at a Credit Union

Birmingham, AL – There has been a lot of talk recently about the stability of the banking system and the solidity of the funds insured at financial institutions. Alabama’s credit unions, which count more than 1.7 million members and hold 12.4% of our state’s financial market share, are going largely unmentioned in the adverse financial headlines for a reason – they continue to be a financially sound alternative to banks.

“Credit union members continue to make smart decisions by keeping their funds in credit unions,” said Gary B. Wolter, President/CEO of the Alabama Credit Union League. “Like banks, credit union accounts are federally insured through the National Credit Union Share Insurance Fund (the credit union equivalent to FDIC, administered through the National Credit Union Administration) to at least \$100,000. But credit unions continue to have a distinct advantage – the credit union difference.”

Unlike the struggling banking industry, credit unions, as member-owned, not-for-profit cooperatives, and are not seeking ways to shore up lost profits by adding fees or pushing products that aren’t in the best interest of its members. Historically, credit unions operate more conservatively overall and specifically, tend to hold more of their mortgage loans (about 70% nationally) in portfolio rather than sell them to Fannie and Freddie on the secondary market.

Wolter continued, “The existence of credit unions is directly tied to another definitive economic situation – the great depression. People wanted to have a stake in their financial institution and the cooperative structure of credit unions (where every member has ownership and a vote) was born to meet that need. In today’s market, we want to encourage consumers to continue to turn to credit unions for their family’s financial needs and trust credit unions to help refinance non-traditional mortgages and as well as provide additional suites of products and services.

For information on NCUA Share Insurance, visit: <http://ncua.gov/ShareInsurance/index.htm>. To research which credit unions you can join, visit www.findacreditunion.com

Note to editors: We would be happy to put you in touch with credit union executives at local credit unions in your readership area.

Enclosure: America’s credit unions: Secure, Strong.

The Alabama Credit Union League represents the state’s 154 credit unions and their 1.7 million members. Credit unions are not-for-profit financial institutions providing affordable financial services to people from all walks of life. www.acul.com

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