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Just what is a credit union anyway?

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The Cross Valley Federal Credit Union holds a Youth Day Carnival every year.

By Geri Gibbons
For Times Leader

Just think if you could do business at a financial institution that directed its profits back to you as a member/owner, offered competitive rates on deposits and loans and provided the same conveniences as a larger bank, all the while cultivating a personal relationship with you and your family.

Northeastern Pennsylvania is home to many credit unions that provide just these services to their members.

Credit unions exist to serve members, providing a safe place to save and borrow money at reasonable rates. They offer many, if not all, of the same services banks do.

The biggest difference between the two is that credit unions have members rather than stock holders. They offer those members a more personal connection with the credit union and its employees.

"At a credit union, you are a member. You own a piece of the pie. All of the profits of a credit union are returned to the members in the form of no cost and low cost service," said Deborah Mozal, chief executive officer at Community Regional Credit Union.

"Our goal is to make you succeed financially. We even offer investment services to help with retirement planning."

In addition to financial services and advice, Mozal said credit unions, go "above and beyond" in getting to know their customers and their changing needs.

"Someone graduating from college might be looking for an auto loan. Then eventually, interested in buying home for his or her family," she said.

Jill McGlynn, chief experience officer at Cross Valley Credit Union, also emphasizes both excellent financial services and diverse community outreach that the credit union offers.

McGlynn said the Cross Valley, celebrating its 50th anniversary this year, is quick to respond to needs of the community.

For example, the credit union offered low interest loans to employees affected by the recent government shutdown.

When a family is experiencing a job loss, a new baby, a child headed for college, credit union employees truly listen and suggest strategies for financing short- and long-term goals.

Cross Valley and other credit unions encourage savings, responsible spending and the building of credit.

See 'CREDIT UNION' | 5

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CREDIT UNION

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They are often able to offer lower interest rates on loans and higher dividends on savings, with the goal of serving members and not making money.

Mozal offered a variety of scenarios in which a credit union could benefit a customer in various situations and at different stages of life.

For example, she said, Community Regional offers a mortgage for those with challenging credit histories originally at a higher interest rate, with the opportunity to reduce that interest rate as they build their credit score.

See

Submitted photo

Community Regional Credit Union participates in the Toys for Tots program each year.

Members also have the opportunity to take out a $1,000 loan to get them through a tough season and on their feet again.

"We see those loans a lot when people are moving and they need a security deposit," she said.

Mozal knows all the tellers and many of the members by name because, she said, she cares.

There are times she sits down with a member in a difficult financial situation and simply says, "What's going on?"

Traci Donahue, CEO at the Cross Valley Federal Credit Union, said the cooperative spirit of the credit union dates back to when credit unions were formed in the 1800s when farmers formed a cooperative venture in which they could gather their resources to loan money to others in times of need.

When credit unions came to the United States in the early 1900s, they provided a chance for under-served pockets of the population to work toward financial success.

Donahue, said in addition to finances, the Cross Valley and other credit unions across Northeastern Pennsylvania provide community support that goes beyond money, to education, support and inspiration to other nonprofits across the area.

A favorite of the Cross Valley Federal Credit Union, she said, is an annual summer Youth Day fair the provides opportunity to interact with other nonprofits across the area, while providing a bit of education in regard to financial literacy and the benefits of belonging to a credit union.

Submitted photo

Donahue

Submitted photo

McGlynn

McGlynn spoke of one family that has been a member of the credit union for decades and has made coming to the fair an annual tradition.

"We even have members that don't have children anymore than come to the fair," she said.

The Cross Valley credit union participates in many efforts to support charitable causes and causes geared toward healthy living, including Red Nose Day, which benefits children; Dress for Success, which assists low-income women with dressing for jobs, consistent with their core value of being "actively involved in supporting communities we serve."

Community Regional Credit Union also participates in a variety of charitable causes, including participating in the food bank Thanksgiving project, a food drive for Luzerne County Community College Food Pantry, collecting toys and monetary donations for Toys for Tots, food collection for Feed a Friend and sponsorship of Eric's Foundation, which benefits those affected by pediatric brain cancer.

With the motto of local credit unions being "People helping People," local credit unions see members as friends, and take seriously their commitment to community.

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- Mary Ellen, Loan Officer & Credit Score Specialist

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- NET Member, Jacqueline

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- Jessica, Loan Officer & Credit Score Specialist

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Advantages of credit unions

Photo courtesy of Pixabay

By Miriam Cadwell
Thebalance.com

Some people enter into a banking relationship with their eyes half closed, not realizing the possible advantages of credit unions over banks. You may have heard people complaining about a bank's high service fees, interest rates, or lack of a personal touch, for example, but remember that no one is trapped at a bank.

People complain about credit unions as well, but the complaints are often fewer and for different reasons. It boils down to the customer service-centric model that credit unions follow, which generally makes them more people friendly and accessible than banks.

01 Customers First

When you open an account with a credit union, you become a member or owner of that credit union. A credit union doesn't have stockholders, so it works to please its members. This shift from a for-profit to a nonprofit model changes the business focus from generating the most profits possible to creating the best customer service and support experience possible. Thus, many of a credit union's policies are more customer friendly.

A credit union is also more likely have policies in place that are more forgiving if you overdraw your checking account or have a lower credit score. And you may find that credit union representatives are more willing to work with you if you find yourself in a difficult situation, such as temporarily being out of work.

02 Lower Fees

One of the places banks make money is in their fees, including monthly service fees and loan origination fees. The fees associated with credit unions tend to be lower than those assessed by banks. Transfer fees are lower, and, usually, there are no ATM fees charged by credit unions. Overdraft fees are lower too, and these fees tend to be a big money maker for banks. The lower fees mean that you can save money by joining a credit union, which may even help you to avoid most banking fees altogether.

Whether you bank at a credit union or bank, though, be sure to carefully read the policies regarding any fees that you may end up paying.

03 Better Interest Rates

Credit unions offer higher savings rates and lower interest rates on loans. Since they're not focused on making profits but on covering their operating costs instead, credit unions are able to offer better interest

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Photo courtesy of Pixabay

rates to their members. The interest rates can be a lot lower for loans, and you may qualify for further discounts if you set up automatic payments. On the other hand, interest rates on deposit accounts are higher at credit unions than at most local banks, though they may not be as high as those offered by some online banks.

Because credit unions aren't focused on driving up profits but on serving their members, they're better able to balance these rates. This means that their members are better served and might be able to save a significant amount on car loans, student loans, and mortgages.

04 Working With Bad Credit

A credit union may be more willing to work with you than a bank might be if you have bad or poor credit or have difficulty qualifying for a loan. The loan officers will meet with you one-on-one and strive to find loan terms that will work for you. If you're interested in getting a mortgage loan but have a poor credit history, then a credit union may be your best route to financing your new house. A credit union may also offer educational programs that will help you get control of your budget or figure out how to cover unexpected expenses.

If you have poor credit, be sure to apply for any loans in person. Some credit unions provide online loan applications, but if you apply in person, you have the opportunity to satisfactorily explain any circumstances that may be affecting you.

05 Qualifying to Join

Credit unions have rules regarding who can join them. These rules may include requirements such as living in a specific geographical region, working for a specific employer, or going to school. Once you join a credit union, you can remain a member for life, even if you no longer meet the initial requirements for becoming a member. But your credit union may require that you maintain a savings or share account in good standing in order to keep your membership. Once you have that account, you can borrow money, open a checking account, or apply for a credit card.

It may take some research, but finding a credit union that you can join is worth the effort. Many large companies offer memberships in credit unions, so start your search at your workplace. If you don't work for a large employer that provides credit union memberships, you may need to look around your geographic area or online to find one.

06 Credit Union Guarantee

Credit unions don't belong to the FDIC as banks do. Instead, they belong to the National Credit Union Administration, which is comparable to the FDIC for banks. The same amount of money is guaranteed by the NCUA as by the FDIC. This means that if your credit union failed, your account would be guaranteed up to $250,000.

As you shop around for a credit union that meets your needs, make sure the one you choose belongs to the NCUA so your funds are protected.

07 Disadvantages of a Credit Union

In addition to imposing membership requirements that you may not be able to meet, another downside of doing your banking with a credit union is that they tend to be smaller, which means you may have a more difficult time finding a branch or an ATM when you travel or move out of town. Many credit unions don't charge ATM usage fees within their networks, but if you're away on a regular basis, then a credit union may not be your best option.

You may also have fewer options at a credit union than at a bank. For example, large banks usually offer numerous types of checking and savings accounts, credit cards, loans, and investment accounts, so you can choose the one that gives you the highest rewards and best suits your situation. Your local credit union may offer only one or a few types of each with no rewards.

Another issue is that credit unions may not always stay abreast of cutting-edge banking technology, so your online experience may be less than ideal and limited to checking your balances and transferring funds between accounts.

Do Your Homework

Before you commit to a credit union or a bank, delve into both and read all the fine print associated with each product you're interested in. If a high level of personal service, better interest rates, and lower fees are more important to you than sophisticated tech, more convenience, and an extensive menu of banking products, then a credit union may be the choice for you. Or you could opt to open accounts at a bank and a credit union to take full advantage of the benefits afforded by both.

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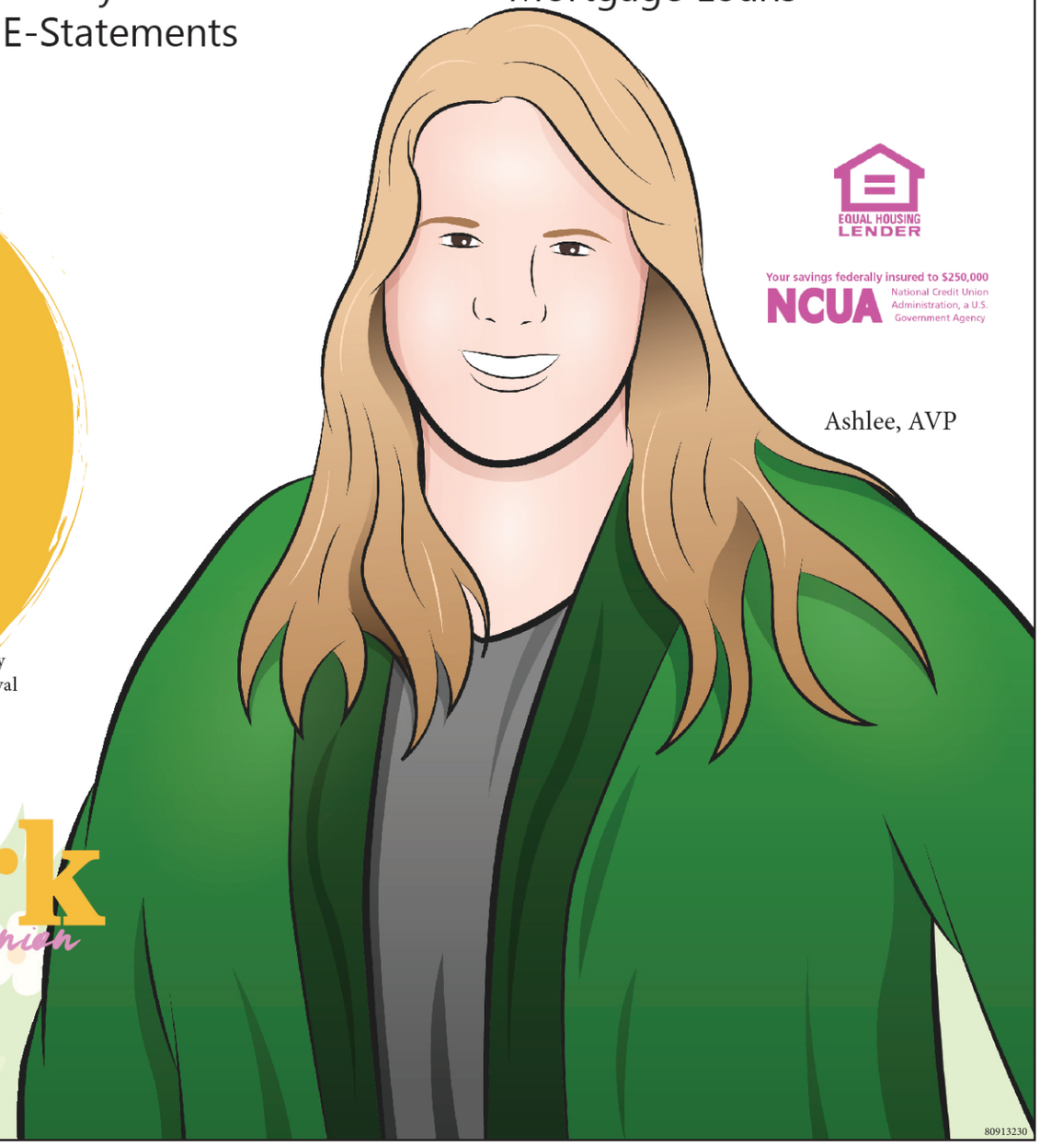

Ashlee, AVP

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What is UltraFICO – review & how it stacks up to other credit scores

By Brian Martucci
Moneycrashers.com

Do you know your credit score? Maybe the better question to ask is, which credit score do you know?

If you have a significant credit history, you probably have a FICO Score. If you've applied for a credit card or personal loan recently, you probably know what your FICO Score is too. But your FICO Score isn't the only credit score prospective lenders, landlords, and employers may use when determining your credit risk.

Fair Isaac Corporation, the company behind the FICO Score, has dozens of credit scoring models, some of which apply only to very specific industries or credit types. And let's not get started on all the non-FICO credit scores out there, like VantageScore, a popular joint venture by the "big three" credit reporting bureaus, Equifax, Experian, and TransUnion.

None of these scores is perfect. One common deficiency is a tendency to overlook solvent, fiscally responsible consumers without significant credit histories. Maintaining a positive bank account balance and making consistent, timely bill payments might not be sufficient to qualify you for a FICO Score or VantageScore. That could put you at a significant disadvantage when the

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Photo courtesy of Pexels

ULTRAFICO

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time comes to apply for a credit card, mortgage, or personal loan.

That's what makes UltraFICO, a new credit model from Fair Isaac, so intriguing. UltraFICO is still in development, with the rollout of a limited-scope pilot program expected in early 2019. When it's fully up and running, it could make a meaningful difference in the lives of millions of American consumers who don't have a FICO Score.

Here's a closer look at what UltraFICO is, how it works, its potential benefits, and its likely limitations.

What Is UltraFICO?

UltraFICO is a three-way joint venture from FICO, credit reporting bureau Experian, and Finicity, a fintech company specializing in financial data and decision-making tools.

According to a press release announcing the new model's launch, UltraFICO "leverages account aggregation technology and distribution capability from Experian and Finicity to help consumers improve access to credit by tapping into consumer-contributed data, such as checking, savings and money market account data, that reflects responsible financial management activity."

In plain English, UltraFICO incorporates non-credit information into a proprietary risk scoring model built for consumers who:

- Have impaired or borderline credit, as indicated by traditional FICO Scores in the upper 500s to low 600s
- Have limited credit history, as indicated by sporadic credit utilization
- Are trying to rebuild their credit after bankruptcy or other significant adverse credit events

According to FICO estimates, 79 million Americans have subprime (under 680) FICO Scores, and 53 million are "unscorable" under the standard FICO model due to limited data availability. Not all subprime and "unscorable" consumers stand to benefit from UltraFICO, however. FICO's website indicates that over 15 million consumers without FICO Scores could receive an UltraFICO Score.

How UltraFICO Works

UltraFICO is an opt-in credit model, so you'll need to provide login information for any bank accounts you wish FICO to consider. The process is comparable to linking your external financial accounts to a cloud-based budgeting program:

- Search for your financial institution in the database or manually enter its name if you can't find it
- Enter your login credentials, including your PIN (if applicable)
- Confirm that you own and control each retrieved account

From that point forward, the system incorporates information in your accounts into a risk scoring model that also uses credit information from Experian. UltraFICO looks favorably on:

- Higher average account age
- Consistent account use
- Positive balance maintenance over a period of months (no overdrafts)
- Evidence of savings
- Regular, timely non-debt bill payments

UltraFICO Products

For consumers with borderline credit, the goal is not to replace an existing FICO Score. Instead, it's to supplement the credit information that goes into building a FICO Score and potentially improve that score above a baseline that doesn't incorporate UltraFICO. According to FICO, 70% of consumers who use their linked financial accounts responsibly could see FICO Score improvement with UltraFICO. FICO defines "responsibly" as maintaining $400 in average savings and avoiding overdrafts for three months.

For "unscorable" consumers without an existing FICO Score, their non-credit information forms the basis of a new UltraFICO Score. This score is administered through Experian, and the experience of pulling an UltraFICO Score during the credit application process is no different from the consumer's perspective than pulling a standard FICO Score or any other score.

UltraFICO Availability

Beginning in early 2019, the UltraFICO Score will be available at a select group of lenders during a pilot phase of undetermined length. If you feel your credit profile makes you a good fit for UltraFICO, you can sign up for updates at the UltraFICO website. If your lender is part of the pilot program, you may be invited to apply directly once the program is rolling.

FICO indicates that UltraFICO will be more widely available for lenders sometime in mid-2019, but this time frame is subject to change based on the results of the pilot program.

Potential Benefits of UltraFICO

Potential benefits of UltraFICO and the UltraFICO Score for consumers include:

1. It's Opt-In

UltraFICO is an opt-in program. You consent to and have full control over disclosures of sensitive personal information, including your bank account login credentials and PINs. If you don't want to provide this information or consent to the use of your bank account balances, transaction history, and overdraft activity, you don't have to.

Most credit scores and models aren't opt-in. While credit reporting bureaus and other financial institutions take pains to keep consumer data safe, they're not all-powerful. In 2017, for instance, Equifax reported a catastrophic breach that exposed some 143 million consumers' personal information, according to the Federal Trade Commission. It was widely seen as a massive violation of Equifax's public trust, in no small part because consumers had little say over what the bureau did with their financial data and personal identification information.

2. It Incentivizes Good Financial Habits

UltraFICO's reliance on non-credit data incentivizes smart money management. In October 2018, The San Diego Union-Tribune asked more than a dozen Southern California finance and employment experts to share their opinions about UltraFICO. Multiple respondents praised UltraFICO's expansive risk model for its behavioral engineering potential.

As Alan Gin, associate professor of economics at the University of San Diego, said, "The UltraFICO score would give a better indication of an individual's financial circumstances. Management of debt, which the traditional FICO score measures, is important. Having money and being able to manage it is also important. [UltraFICO] will benefit those who are trying to recover after personal financial crisis, as well as those who are just starting out and have little credit history."

An easy way to piggyback off UltraFICO's savings incentive is to set up an automatic savings account and link it to your UltraFICO account. As your balance grows, your UltraFICO Score should improve, all other things being equal.

3. It Expands Access to Credit for Younger Consumers

College students and recent graduates are far more likely to have sparse, sporadic, or nonexistent credit histories. Not all young people qualify for student credit cards. Plenty of students who finance post-secondary education with student loans rely exclusively on parent loans that do nothing for their own credit profiles. And many parents do too little to build credit for their kids. By weighing non-credit factors, UltraFICO addresses the chicken-or-egg problem that stymies young consumers' efforts to build credit.

4. It Expands Access to Credit for Low- and Middle-Income Consumers

The credit score status quo disadvantages consumers of all ages, but those at the lower rungs of the economic ladder face particularly acute

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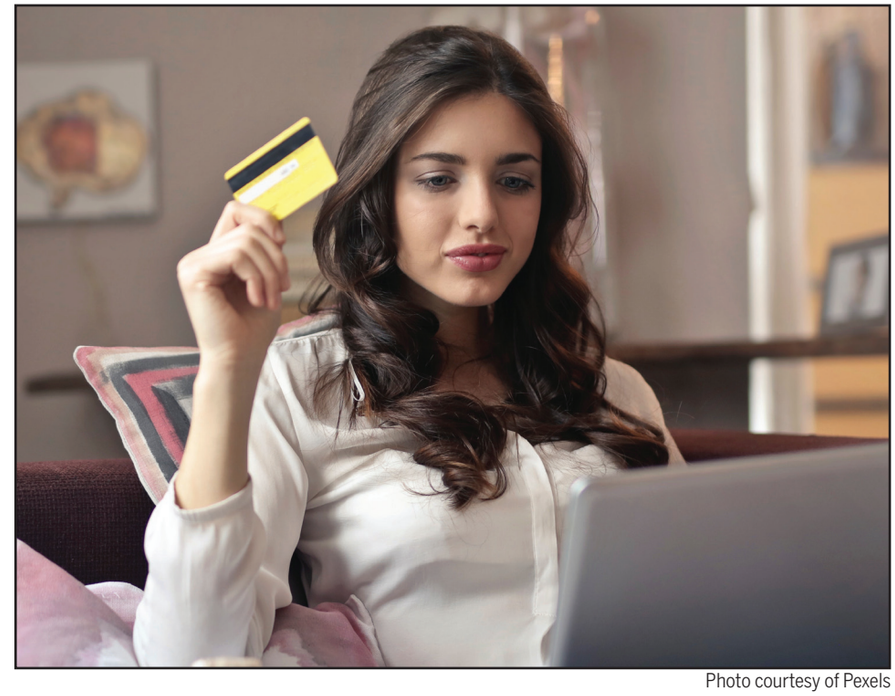
4 reasons millennials should open a credit union account

By Jeffrey Steele
Bankrate.com



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Whether learning a language, mastering a sport or gathering gobs of greenbacks, starting young is always a plus. It's also crucial to get into good habits early, before hard-to-break bad ones are cast in concrete.

A perfect example: Start a lifetime of saving and borrowing at a credit union, which may cater to young adults better than a bank can.

"A great concern for people just entering the workforce is the stagnant nature of wages and benefits, so it makes sense to look at opportunities to reduce costs and receive higher rewards," says Marco Pantoja, interim director of the University of Missouri Office for Financial Success in Columbia, Missouri.

Here are 4 reasons millennials should consider a credit union.

1. You may get a better deal on a savings account or certificate of deposit. This fall, the average 5-year CD paid 0.85% APY, Bankrate's survey of banks and thrifts found. Credit unions, on average, paid 1.55% APY, according to the National Association of Federal Credit Unions.

2. It may be cheaper to borrow from a credit union. "When borrowing, one of the major needs for which people use financial institutions, credit unions have lower rates and lower fees," Pantoja says.

3. Credit unions may charge less painful fees on accounts.Bankrate's 2015 Checking Survey found just 37% of banks offer free checking with no strings attached. A separate 2015 Bankrate survey found 72% of the nation's 50 largest credit unions offer free checking accounts.

4. Credit unions may provide greater personal attention.Beginners are frequently in need of attentive personal service. Credit union staff can give greater attention because credit unions deal with smaller audiences. "The different relationship they have with their members allows them to more intimately work with people who want to borrow," Pantoja says. "They will be more familiar with your specific situation, having done more personal business with you."

Why credit unions are more competitive

Perhaps the biggest upside of credit unions is they are owned by their members. Their nonprofit status allows credit unions to return revenues back into services or reduced costs for members.

Don't be put off by the term "members." A big misconception about credit unions is that they are highly restrictive or exclusive in granting membership. Credit unions have requirements for membership, but they differ widely and can be surprisingly broad, Pantoja says.

A credit union may require members to be part of its community, or of a particular church or employee group, Pantoja says. Educational institutions also have credit unions.

Locating credit unions

Finding a credit union is as easy as a visit to the Web. Visit the Credit Union National Association's ASmarterChoice.org or the National Credit Union Association's MyCreditUnion.gov, which will list nearby credit unions based on a consumer's street address.

ULTRAFICO

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challenges. When you live paycheck to paycheck, using a credit card only makes matters worse, as do predatory lenders such as payday loan providers. UltraFICO provides a way out, at least in theory: Maintain a stable bank account balance and pay your bills on time, and you'll secure a toehold on the credit score ladder.

5. It Supports Quicker Recovery From Adverse Credit Events

UltraFICO does not provide immediate relief after adverse credit events, but neither does any other credit scoring model or credit repair tool. Still, UltraFICO's reliance on non-credit factors offers consumers a head start on rebuilding their credit, compared to scoring models that rely solely on traditional credit factors. While a delinquency or discharged bankruptcy might temporarily render you undesirable to mainstream lenders, it might not affect your account holder status at the local bank or credit union.

Potential Limitations & Drawbacks of UltraFICO

These are just some of the potential limitations and unintended consequences of UltraFICO.

1. It May Penalize Consumers With Irregular Incomes

UltraFICO's preference for stable, positive bank account balances and regular bill payments may disadvantage consumers with irregular incomes and unpredictable cash flows, such as solopreneurs and freelancers. If your bank account balance fluctuates wildly from month to month, you may want to stick with a traditional credit scoring model.

2. Information Sharing Raises Privacy & Security Concerns

A majority of the experts surveyed by the San Diego Union-Tribune were cautiously optimistic about UltraFICO. Among those with mixed or negative reactions, information sharing was a top concern.

If the Equifax breach taught us anything, it's that the pillars of America's consumer credit industry are not immune from hacking and cybercrime. The best way to limit your exposure is to opt out of — or, in this case, not opt into — data sharing arrangements when you have the opportunity.

3. It's Not Appropriate for Consumers With Prime Credit

UltraFICO is not appropriate for consumers with prime credit. If your FICO score is above 680, you're not likely to be invited to participate in the UltraFICO pilot program, and you probably won't benefit from UltraFICO once the model is widely available. In fact, if you're an independent professional with good credit and an unpredictable cash flow, UltraFICO could be a net negative for you.

4. It May Incentivize Risky Borrowing & Lending

Multiple experts surveyed by the San Diego Union-Tribune worried that UltraFICO could incentivize risky borrowing and lending. Jamie Moraga, president of San Diego-based IntelliSolutions, wondered whether banks saw UltraFICO merely as a means of expanding the pool of available borrowers and warned this could become "a slippery slope." Expanded access to credit is a good thing, it's true, but no one is entitled to a loan.

5. It May Reduce Overall Loan Quality & Raise Systemic Risk

More borrowers with impaired and borderline credit entering the market means lower overall loan quality and higher systemic risk. The pitfalls of lenient underwriting were on full display during the late 2000s housing market collapse, when the chickens hatched during years of aggressive subprime mortgage lending came home to roost.

The "subprime disaster" became a widespread economic calamity, precipitating the worst economic recession since the Great Depression. A single credit risk model is unlikely to wreak such havoc in isolation. However, as part of lenders' broader quest for yield in an aging economic cycle, it could play a destabilizing role.

6. It Does Little to Address Other Weaknesses of the Credit Scoring System

UltraFICO may raise borderline credit scores over time, but it does little to address fundamental credit scoring weaknesses that disadvantage consumers in the here and now. It offers no correction for countless consumers who, justifiably or not, believe their low scores result from a reporting error. A single missed payment can have a significant impact on your credit score, for instance.

Disputing credit report items is time-consuming, daunting, and not always guaranteed to work. Many consumers live with the consequences of bad credit rather than enduring the process, if they even know it's available to them. A credit scoring model that integrates dispute resolution into its algorithm would help address this.

Final Word

UltraFICO is a breath of fresh air in an industry that could use it. Though this new credit risk modeling framework isn't for everyone, it stands to benefit millions of consumers who've thus far been ignored or underserved by standard underwriting practices.

If your credit isn't quite where you'd like it to be, it's worth it to learn more about UltraFICO and, if you like what you see, to sign up for updates about the rollout. Just don't opt into any information-sharing arrangements without considering all the pros and cons.

Joining a credit union as easy as 1-2-3

By Geri Gibbons
For Times Leader

The number one reason that people make the leap from their regular bank to a credit union is that a friend or family member has touted the benefits of membership, which include low interest rates on loans, unique opportunities for saving and a chance for input into decision making.

Still, life is busy and transitioning from one financial institution to another takes a bit of time and planning.

Is it worth it? Absolutely.

A first stop in joining a credit union is to choose one, and not necessarily the one that your best friend belongs to. You can start the decision making process by accessing the web sites and Facebook pages of those you are considering. Many will give examples of their most utilized financial products on their home page.

Choice One Community Credit Union, for example, provides information on interest rates for auto loans, mortgages and credit cards.

The Choice One home screen also contains many informational links including one for the credit union's app, one for helpful information on safeguarding financial information and even a chance to join. Also provided are links to Facebook, Twitter and Instagram.

For those who are comfortable with both an in-person and online environment, Choice One is a good option.

Accessing other credit unions websites and Facebook pages will also tell potential customers what to expect should they join and the character of the credit union.

For example, Community Regional Credit Union not only provides information on interest rates and services available on its home screen, but its Facebook page offers information on filing taxes and regaining financial health after an expensive holiday season.

Its Twitter page provides short videos on products and services available to its patrons, and the benefits of membership.

Cross Valley Federal Credit Union website provides information on current loans available, including those available to those affected by the recent partial federal government shutdown.

Its Facebook presents many events that Cross Valley participates throughout the year which benefit the community and introduces potential members to some of its staff members.

The next step might be to make an appointment and go into the credit union to speak to someone who will answer your questions and address your specific needs.

For example, if you're hoping to refinance a car loan, there are different rates for different credit scores. Unlike a bank, a credit union staff member will take time to walk you through the process and offer options.

If you're recently divorced and need to re-evaluate financing and future goals, credit union staff will be more than happy to sit down with you and make a plan for your financial future.

Finally, once you've chosen a credit union, there is some housekeeping necessary, especially if you are closing a previous account.

Are there any automatic deposits or withdrawals that go into your current account? You'll have to transfer these into your new account at the credit union.

You'll want to identify the locations of the credit union you are joining, in addition to their online services and hours of operation.

Finally, whether your joining a credit union or online, save information provided to you. If necessary write it – your account number, the names of staff members you will most likely be dealing with and any suggestions they have made.

As you move forward, re-evaluate your financial situation in light of the services provided. Don't just file your monthly statements and if necessary, make a loan payment.

Instead continue to re-evaluate your finances and options available. Go online to get information about good financial practices.

Joining a credit union does take a bit of time and planning, but in the long term, it provides opportunity to take charge of your finances while increasing your commitment to community.

Submitted photo

The Community Regional Credit Union is one of many to join in Northeastern Pennsylvania.

Reach the Times Leader newsroom at 570-829-7242 or on Twitter @TLnews.

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How to join a credit union?

Is a **credit union** right for me?

Locate

- Use the NCUA's **Credit Union Locator** tool:
  - Visit MyCreditUnion.gov
  - Download from the App Store or Google Play

Download on the App Store | Get it on Google play

Choose

- Ask your local credit union about membership requirements or visit its website

Join

- Open a share account to establish credit union membership

National Credit Union Administration
Office of Consumer Financial Protection
1775 Duke Street, Alexandria, VA 22314

MyCreditUnion.gov
800-755-1030
NCUA 12006 – March 2018

MyCreditUnion.gov

Many of the sources listed below are courtesy of Financial Literacy and Education Commission members.
www.mymoney.gov

Sources:

[1] *FDIC National Survey of Unbanked and Underbanked Households (2015) - Federal Deposit Insurance Corporation*
[2] *Youth Personal Finance Pedagogy (2016) - Consumer Financial Protection Bureau*
[3] *Assessing Financial Capability Outcomes (AFCO) Youth Pilot (2014) - U.S. Department of the Treasury*
[4] *Scholarly Research on Children's Savings Accounts (2014) - Prosperity Now*
[5] *Programme for International Student Assessment (2015) - Organization for Economic Co-operation Development*

National Credit Union Administration | Office of Consumer Financial Protection | 800-755-1030 | MyCreditUnion.gov

PRODUCTS & SERVICES*

What can you expect to receive from a credit union?

Personal service
- Member education
- Financial planning
- Financial counseling

Community Involvement
- Financial education and outreach to consumers
- Credit unions in schools
- Small business needs

Convenience
- Mobile banking
- Online banking
- Direct deposit
- Checking & savings
- Overdraft protection
- Remote check deposits

Loans to meet your needs
- Personal or signature loans
- Mortgage & Home equity loans
- Auto loans
- Business loans

Accessibility
- ATMs
- Shared branching network

*Generally credit unions offer the financial services listed here. Contact the credit union directly for availability of product and service offerings.

Federal consumer financial protection laws apply to credit unions. These laws included the Equal Credit Opportunity Act, which requires credit be made available to members without regard to sex, marital status, race, national origin, religion, age, or any other prohibited basis.

What sets credit unions apart from other types of financial institutions?

ONE

- **Member-Focused** Members share a common bond. You may be able to join based on your employer, family, geographic location or membership in a group.

TWO

- **Competitive Rates & Reduced Fees** Profits made by credit unions are returned back to members in the form of reduced fees, higher savings rates and lower loan rates.

THREE

- **Member-Owned** Credit unions are owned and controlled by the people, or members, who use their services. Your vote counts. A volunteer board of directors is elected by members.

FOUR

- **Insured Funds** The National Credit Union Share Insurance Fund insures deposits to at least $250,000 per individual depositor at federal credit unions and majority of state-chartered credit unions.

MyCreditUnion.gov

Free Resources

For free resources and more information available to help support youth savings habits visit MyCreditUnion.gov, Money Smart, Money As You Grow and MyMoney.gov [7]

Many of the sources listed below are courtesy of Financial Literacy and Education Commission members.
www.mymoney.gov

Sources:

[6] *Linking Youth Savings with Financial Education: Lessons from the FDIC Pilot (2017) – Federal Deposit Insurance Corporation*

[7] *MyCreditUnion.gov: https://www.mycreditunion.gov/tools-resources,*
NCUA.gov: https://www.ncua.gov/consumers/Pages/financial-literacy-resources.aspx,
Money Smart: https://fdic.gov/moneysmart,
Money As You Grow: https://www.consumerfinance.gov/consumer-tools/money-as-you-grow/,
MyMoney.gov: https://www.mymoney.gov

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