

THE CREDIT UNION D I F F E R E N C E

GOVERNANCE

VOLUNTEER DIRECTORS ELECTED BY MEMBERS



PURPOSE

T O S E R V E M E M B E R S

MEMBER BENEFITS

EARNINGS INVESTED IN
MEMBERS AND THE COMMUNITY



VALUES

I N P E O P L E , N O T P R O F I T S

THE CREDIT UNION DIFFERENCE FROM THE START, A FOCUS ON MEMBERS

In Wisconsin, more than 2 million people belong to credit unions in communities ranging from Ashland to Beloit, Green Bay to La Crosse. These members are a diverse group — teachers, students, doctors, lawyers, office workers and blue collar employees. Many belong to a credit union just as their parents did. But a growing number are new Americans and those who haven't been able to find the financial help they need anywhere else — people who believe that with hard work and careful planning, they'll be able to achieve their financial dreams.

In that respect, credit union members today share the same values that helped launch the movement nearly 100 years ago in this country. From the start, the movement has been based on the belief that the people who help manage your money ought to care about your dreams, share your values and be a real part of the community. And because credit unions focus on people, not profits, they serve their members and the community in ways other financial institutions do not.



Here in Wisconsin, state lawmakers welcomed the not-for-profit financial cooperatives in 1923 by passing legislation that allowed credit unions to organize. The first state-chartered credit here was the Milwaukee Metropolitan Credit Union, opened in 1923. But it wasn't until the Great Depression, when growing numbers of people needed financial help, that credit unions really took off. Today, Wisconsin is home to 271 credit unions, working hard day in and day out to help members realize their financial dreams.

FOUR KEY ELEMENTS SET CREDIT UNIONS APART

1. GOVERNANCE

VOLUNTEER DIRECTORS ELECTED BY MEMBERS

2. PURPOSE

TO SERVE MEMBERS

3. MEMBER BENEFITS

EARNINGS INVESTED IN MEMBERS AND THE COMMUNITY

4. VALUES

IN PEOPLE, NOT PROFITS

Other financial institutions focus on money. From the start, credit unions have focused on people, dreams and results.

The difference is manifest in four key ways: how credit unions are governed, how they define their purpose, the benefits they offer their members and the values they bring to their communities.

UNION LEAGUE 624



1. GOVERNANCE

VOLUNTEER DIRECTORS
ELECTED BY MEMBERS

Credit unions are locally owned and their boards of directors are elected by members. Decisions about the organization, direction, programs and policies that govern credit unions are driven by the benefits they provide to members — the people who are saving to buy a first home, finance a child's education or make a new car purchase. Credit union boards are made up of volunteers who understand member needs and focus on ways to meet those needs. Conversely, other financial institutions answer to shareholders, so their bottom line is maximizing profits.



**“We’re locally owned and
volunteer board members
guide our decisions.”**

2. PURPOSE

TO SERVE MEMBERS

The most important responsibility of credit unions is promoting the financial success of their members. While maximizing profits for shareholders drives other financial institutions, credit unions are not-for-profit. The money they make does not pay dividends to stockholders. It is invested in members.



“We’re not-for-profit, so we focus on members’ financial success.”

“We’re willing to reach out to people and we’re able to offer better rates on savings and loans.”



3. MEMBER BENEFITS

EARNINGS INVESTED IN MEMBERS AND THE COMMUNITY

Money that is made by a credit union is invested in member benefits in the form of higher interest rates on savings and lower interest rates on loans. That means retirees have larger nest eggs and workers can afford to buy the home of their dreams.

Viewed as unprofitable by other financial institutions, small businesses and self-employed individuals thrive with credit unions. Lower and middle income members are treated with the same consideration and respect as wealthier members. And through initiatives like REAL Solutions, credit unions are reaching out to growing numbers of new Americans and those who can't get the financial help they need from other institutions. Credit unions not only offer better rates on savings and lower fees on loans, they also provide valuable information and financial counseling to members — advice designed not to make a profit for the organization but to benefit members.

4. VALUES

IN PEOPLE, NOT PROFITS

Credit unions bring financial benefits to the community. By focusing their resources on helping members realize their financial goals and build secure futures, credit unions strengthen their communities. Moreover, because they are locally owned and managed, they are vested in and are committed to making significant contributions to the local area.

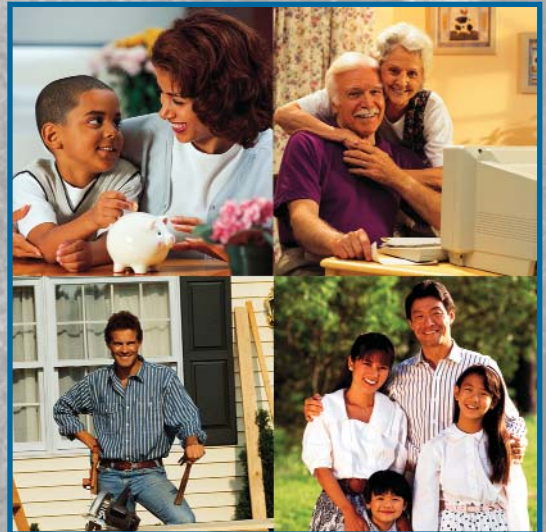
Taken together, these qualities add up to a single focus and a solid commitment to credit union members and to their financial success. Without that commitment, Wisconsin and its people would have fewer opportunities. More families would be frozen out of the housing market because they were unable to meet the profit demands of other financial institutions. More small businesses and self-employed individuals would be turned down for loans that would help them grow and prosper.

The more than 2 million individuals and their families who have joined a Wisconsin credit union have an ally that is dedicated to their financial future, whose expertise is available to help make their

dreams realities and whose purpose is to advance members' interests. People who are simply account numbers and income streams at other financial institutions are the bottom line for credit unions.

The values of credit unions reflect the values of their members. That's good for hard working people who dream of a better future. That's good for people running small businesses that need a helping hand to reach their potential. That's good for communities that are stronger when individuals and families are able to build a better quality of life.

“We’re vested in our communities and our more than 2 million members.”





One League, One Focus - Your Success!

N25 W23131 Paul Road Pewaukee, WI 53072-5779
Phone: (262) 549-0200 or (800) 242-0833
Fax: (262) 549-7722
www.theleague.coop