The Wisconsin Credit Union League

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NEWS RELEASE

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Renewed interest in federally insured credit unions is likely as they're lauded for their safety, role in continuing to provide credit as part of economic recovery

Pewaukee, Wis. - Credit unions, not-for-profit financial institutions owned by their members, may be among the safest financial institutions in the nation, despite our nation's current economic struggles. And as a result, they are gaining recognition among consumers as well as on Capitol Hill for not only having avoided the problems that created today's financial mess, but for being a huge part of the solution.

"Not only are consumers' federally insured share deposits in credit unions safe, credit unions are probably the safest depository institutions in the country right now," said Brett Thompson, President & CEO of the Wisconsin Credit Union League. He points to a recent segment on CNN and an article in *Politico* magazine on Capitol Hill that recognized credit unions as strong and secure institutions that avoided the bad lending practices that caused today's financial crisis, as well as Congress' talks with credit union industry leaders to develop the federal rescue package that, in part, needs to ensure a continued flow of credit nationwide to prevent additional home foreclosures, business failures and job losses.

"During some of our nation's worst economic times credit unions have been used as a source of continued lending to help rebuild the economy," Thompson says. "More than likely credit unions will see a strong resurgence not only for depositors looking for a safety zone, but among individual and business borrowers who can rely on locally owned and managed credit unions to provide a continued stream of loans because they haven't had to change their lending standards or set aside huge reserves to cover the kinds of losses other financial firms have seen. Credit unions have been and remain today America's strong financial foothold."

Thompson explains that credit union deposits, called shares, are insured by the National Credit Union Administration (NCUA), a federal agency offering deposit account coverage just like the FDIC, to at least $100,000 per insured account. "Many news reports have focused exclusively on FDIC insurance at banks but have overlooked credit unions. But Wisconsin's 2.2 million credit union members need to know that as long as their individual accounts remain within coverage limits, their funds are safe," Thompson says.

The NCUA is staffing a toll-free hotline from 7 a.m. to 5:30 p.m. Monday through Friday to answer insurance related questions from members. The number is (800) 755-1030, Ext. 1. The NCUA website, at www.ncua.gov, has additional tools to help consumers determine the coverage on their accounts as well as brochures and bulletins that detail coverage for regular savings and retirement accounts and more.

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Credit unions are cooperative financial institutions that are owned by their members and do not have stockholders. Because they are not-for-profit, they return earnings to members in the form of more competitive rates of return on accounts, lower interest on loans, lower fees and improved services. Around 2.2 million Wisconsin residents belong to credit unions, of which nearly half are open to the local community. People can find a credit union to join by looking in the phone book or by visiting www.creditunion.coop.