The Wisconsin Credit Union League

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NEWS RELEASE

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Wisconsin credit unions see membership, savings phenomenon described by Kiplinger's

Better pricing and service fuels consumers' move to not-for-profit credit unions for financial services

Pewaukee, Wis. – Wisconsin credit unions are seeing consumers flocking to them for some of the same reasons cited by the August issue of *Kiplinger's Personal Finance* magazine – better rates and personal service.

"Big banks want your money, too, but they're turning customers off with higher fees and tighter lending – not to mention stress tests and troubled assets," Kiplinger's said. "They continue to raise fees, even as the grab for business intensifies and consumers are more cost-conscious."

The magazine touts credit unions' lower fees by citing statistics from the Credit Union National Association that reveal the difference between what credit unions and banks charge for services. On average, for example, credit unions charge $25 for overdrafts while banks charge $30. Credit unions charge $20 for a late credit card payment while banks' fee is $35. The publication also cited credit unions' typically lower rates for auto loans.

In Wisconsin, for example, interest payments on a $25,000 car loan for 60 months from a credit union would be $830 less than from a bank, according to CUNA economists.

"Consumers are fed up," says Brett Thompson, President & CEO of The Wisconsin Credit Union League. "Even people with good credit feel they're being punished by banks looking to boost profits, especially prior to new federal credit card rules being implemented. They're not waiting. They're seeking refuge now."

Wisconsin credit unions have benefited from the trend, he says. As of the end of last year Wisconsin credit unions saw some of the largest membership growth among the member-owned financial institutions nationwide. And as of the first quarter of 2009, 250 Wisconsin credit unions saw their assets grow 15.74% and savings grow by 26.11%. Regulators have cited this performance as a good sign in a still-unstable economy.

"Because credit unions are owned by the members who do business with them, not shareholders, consumers are realizing they're going to get a better deal because of that. We think as more consumers discover the financial benefits of this difference in institutions the trend will only intensify," Thompson adds.

Visit www.creditunion.coop/ratedex.php to compare credit union and bank rates and www.theleague.coop/findacu to find a credit union you can join.

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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.theleague.coop/findacu.