

Banks vs. Credit Unions

Banks and credit unions have a lot in common. But there are some key differences between the two. Compare to see which is right for you.

What's the Same?



Both offer basic **financial services** (checking, savings, loans, credit cards and more).



Both offer **online and mobile banking** options.



Both offer **wide ATM coverage**. The big banks own their own ATM networks whereas many credit unions are part of large, cooperative ATM networks.



Both are **federally insured***, covering up to \$250,000 per qualifying account.



Banks

Have a for-profit structure

Are owned by private investors and stockholders

Pay their board of directors

Allow anyone to open an account

Tend to have more fees, higher rates on loans and lower rates on deposit accounts



Credit Unions

Have a not-for-profit structure

Are owned by members

Depend on volunteers for their board of directors

Serve members of particular groups, tailoring services to their interests

Tend to have fewer fees, lower rates on loans and higher rates on deposit accounts

What's Different?

The Credit Union Advantage



Lower loan rates



Higher savings account rates



Low or no fees



More personalized service



You're put first, not stockholders

* Banks are federally insured by the Federal Deposit Insurance Corporation. Credit unions are federally insured by the National Credit Union Administration. Not all credit unions are federally insured. Some state-chartered credit unions may only be covered by private deposit insurance.