



Credit
Unions

Information from your Credit Union

Safe savings with your Credit Union

Credit Unions offer savings accounts to meet your needs.

There are many advantages to saving with a Credit Union and your money is as safe in a Credit Union as a bank or a building society.

Advantage of saving with your Credit Unions

- Flexible savings to suit your needs – you can save as much or as little as you like, as often or occasionally as you want
- Save from 50p a week to £5000 – the choice is yours
- Saving money with your Credit Union is easy – you can pay in to your account locally at the office or collection point.
- You can also save by standing order, direct debit or by a direct deduction from your payroll. PayPoint outlets can also be used to pay into your Credit Union account
- Some Credit Unions pay an annual dividend on savings of up to 8%
- Savings accounts for special occasions – such as Christmas or holidays
- Some Credit Unions offer savings budgeting accounts to help you pay your electric, gas and telephone bills
- The more you save with your Credit Union, the larger the loan you can apply for
- **Free** life savings insurance – if you die, your family may receive as much as twice your savings – ask your Credit Union for details of the cover they provide.

Safe savings

- There are many ways that your savings are protected within your Credit Union
- A group of members known as the Supervisory Committee ensures that the Credit Union is running safely and taking care of members' money
- An auditor carries out an annual inspection of the Credit Union's business
- The Credit Union is required by law to maintain an insurance policy to protect the Credit Union against fraud or theft.

Financial Services Authority (FSA)

Credit Unions, banks and building societies are supervised by an organisation called the Financial Services Authority.

Credit Unions are required to send regular financial reports to the FSA.

The FSA is able to place restrictions on a Credit Union's business, if it has reason to believe that members' savings may be at risk.

Financial Services Compensation Scheme (FSCS)

The Financial Services Compensation Scheme provides a final safety net if a bank, building society or Credit Union should collapse. If the worst should happen, the Financial Services Compensation Scheme is able to provide compensation, to ensure that you do not lose all of your savings.

The Financial Services Compensation Scheme provides the following levels of compensation on savings:

100% compensation for the first £2,000 of savings

90% compensation for the next £33,000 of savings

Talk to your Credit Union about their savings plans



www.abcul.org

