

For more information

Association of British Credit Unions Ltd (ABCUL)

The trade body for credit unions and a great source of information on all aspects of credit unions.

Tel: 0161 832 3694 info@abcuk.org www.abcuk.coop

Financial Conduct Authority (FCA) and the Prudential Regulation Authority

Regulate the financial services industry in the UK.

FCA Tel: 0800 111 6768 www.fca.org.uk

PRA Tel: 020 7601 4878 www.bankofengland.co.uk/pru

World Council of Credit Unions

The world umbrella body for credit unions.

www.woccu.org

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all about...
Saving

The safe way to save



Credit unions are the safe, ethical option for saving your money.
Our accounts are designed to meet your needs.



How we protect your savings

- Credit unions are jointly regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA), just like most other financial businesses. If you want to know more about this go to www.fca.org.uk or www.bank.ofengland.co.uk/pr
- Savings in a credit union are protected by the Financial Services Compensation Scheme (FSCS). This provides a safety net in the unlikely event that the credit union should collapse. Again, you can find out more at www.fscs.org.uk.
- All credit unions must, by law, maintain a fidelity bond insurance that protects the credit union against theft or fraud.
- Credit union financial systems and final accounts must be externally audited each year to ensure there are no irregularities.
- A supervisory committee is elected by the members to make sure that the credit union is running properly and that members' money is safe.

The advantages of saving with a credit union

- **Flexible** – save as much or as little as you like.
- **Convenient** – pay into your account at your local branch or collection point. Some credit unions also allow you to save by standing order, direct debit, via payroll or transfer of benefits. Many have PayPoint facilities.

The safe choice

When you save, you want to know that your money is safe and that your savings will grow.

Whatever you are saving for – retirement, a wedding, your child's education – putting your money in a credit union savings account is a good choice.

Why? Because credit unions exist only to serve their members' interests. There are no shareholders or outside investors to please.

Credit unions are financial co-operatives owned and controlled by their members – the people who place their money in an account with their chosen credit union.

Your money is protected in a number of ways so it is as safe as in any bank or building society.

- **Protected** – free life savings may be offered by your credit union. Your family may receive as much as twice your savings if you die. Please ask your credit union for details.
- **Helpful** – for example, budgeting accounts to help you pay your utility bills.

The ethical choice

Credit unions are run for members by members. Any profits made may be returned

to members or reinvested in the credit union. In other words, profits stay in the community and do not go to outside investors.

Savings invested in the credit union are used to provide affordable credit to members.

Under the Credit Union Act 1979, credit unions must educate their members in the wise use of money and promote responsible savings and lending.

What else do credit unions offer?

Affordable loans

For all purposes, at an affordable interest rate:

- fixed interest rate so your repayments stay the same
- interest charged only on the reducing balance to be repaid each month, not on the total amount borrowed
- no charges if you pay off the loan early.

Young savers

Children are encouraged to 'get the savings habit' early through our accounts for young savers.

Young savers' accounts earn interest and some credit unions offer other incentives to save.

Many credit unions also work with schools, bringing savings and money management into ordinary school life.

Insurance products

Insurance cover for your house, car and life, as well as funeral plans.

Benefits direct

Have your benefits paid directly into your credit union account and withdraw funds as you need them.

Bill-paying accounts

Some credit unions offer accounts that allow you to have your utility bills paid directly from your savings.

Junior ISAs and Child Trust Funds

If your child has received a Child Trust Fund voucher from the Government, you may be able to deposit this with a credit union until your child reaches 18 years. Some credit unions also offer a Junior ISA account.

Your credit union may also offer:

- basic bank accounts
- long-term deposit (savings) accounts
- Individual Savings Accounts (ISAs).