For more than 100 years, credit unions have provided financial services to their members in the United States Credit unions are unique depository

institutions created not for profit, but to serve their members as credit co-operatives. A BRIEF HISTORY OF CREDIT UNIONS

IN THE UNITED STATES

ENGLAND &

1800s



19th century in England. A few decades later. credit unions took root in Germany. These early credit unions became the model for today's credit unions in the United States.

Alphonse Desjardins

MANCHESTER,

NEW HAMPSHIRE

1909

 Each member has one vote, regardless of the size of the member's deposits Member-elected board of directors

credit unions included:

Democratic governance

Volunteer based

Distinguishing features of these early

Desjardins helped a group of Franco-American Catholics organize St. Mary's Cooperative Credit Association. This

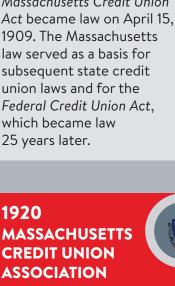


first credit union in the United States opened its doors in 1909. 1909 **MASSACHUSETTS CREDIT UNION ACT**

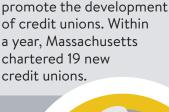
As a result of the efforts of Edward Filene, a merchant

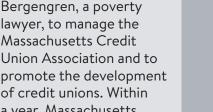
and Pierre Jay, the Massachusetts Banking Commissioner, the Massachusetts Credit Union

and philanthropist,



Edward Filene hired Roy Bergengren, a poverty lawyer, to manage the Massachusetts Credit





Franklin Delano Roosevelt 1934

FEDERAL CREDIT

In 1934, President Franklin

national system to charter

Delano Roosevelt signed

the Federal Credit Union

Act into law, creating a

and to supervise federal

UNION ACT

credit unions.

1946

WOMEN GAIN PROMINENCE



Dora Maxwell organized 120 credit unions in New York City in a fivemonth period. Other women prominent in the movement during this period include Louise Herring, Evelyn Higgins and Agnes Gartland.

individuals belonging to more than 10,000 federal credit unions.

6,000,000 members

The credit union movement grew

steadily in the 1940s and 1950s.

By 1960, credit union membership amounted to more than 6 million



and credit union assets tripled to more than \$65 billion. In the 1980s, deregulation, expanded member services, and increased

flexibility in mergers and

criteria contributed to the

continued growth of the

credit union movement.

in field of membership

CREDIT UNIONS®

2000s **SURVIVING** THE ECONOMIC **DOWNTURN**

Steady growth continued



in the early 2000s. Then the nation's financial system faced profound and unprecedented threats to its stability in 2008 and 2009. A steep drop in global financial markets triggered the most severe economic downturn since the Great Depression.

1970s & 1980s **TREMENDOUS GROWTH** The number of credit union members more than doubled during the 1970s,

In 2000, the Credit Union National Association (CUNA) launched a national brand campaign, introducing a new logo

Nearly

challenges, the U.S. credit

union system remained

strong overall during the

While there were

financial crisis.

AMERICAN CREDIT UNIONS TODAY More than 100 million

- LÉVIS, QUEBEC,

Lévis, Quebec, where Alphonse Desjardins organized La Caisse populaire de Lévis. A

The credit union concept crossed the Atlantic to

1900

CANADA

former journalist and the French-language stenographer for the Canadian House of Commons, Desiardins became aware of moneylenders charging outrageous interest. In response, he organized this first credit union in North America to provide affordable credit to working-class families. Edward Filene

to save and could afford

POPULARITY Families had more money

1920s

GROWING

products like automobiles and washing machines. However, they often needed a source of inexpensive credit to purchase these goods.

The popularity of credit

unions grew because commercial banks and savings institutions generally showed limited interested in offering such consumer loans.





Union National Extension

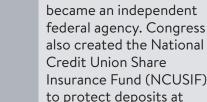
Bureau—to promote the

26 states had enacted laws

to charter credit unions. By 1930, 32 states had

establishment of credit unions throughout the United States. By 1925,

adopted credit union laws, with a total 1,100 credit unions. 1948 ОСТ **FIRST CREDIT UNION DAY** The first national Credit Union Day was celebrated on the third Thursday of October. The observance grew into International Credit Union Day.®



also created the National Credit Union Share Insurance Fund (NCUSIF) to protect deposits at

> CREDIT CARDS **INTRODUCED**

1977

1970

NATIONAL

CREDIT UNION

ADMINISTRATION

The National Credit Union

Administration (NCUA)

credit unions.

A few select credit unions began offering Visa credit cards in a pilot program. 1990s CONTINUED **EXPANSION**

During the 1990s and into the 21st century,

steadily in assets, shares

and members. Failures

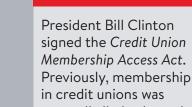
credit unions grew

remained generally

low, and the NCUSIF

maintained a healthy

equity level.



generally limited to select groups with a pre-existing common bond, often employees of a particular company or trade. The Act

1998

CREDIT UNION MEMBERSHIP ACCESS ACT

2010 & BEYOND A BRIGHT FUTURE Through the recovery, the credit union industry saw unprecedented growth as more and more American consumers discovered that credit unions were a great alternative to the large national banks. The credit union system, which embraces

opened up membership eligibility to include much larger loosely

defined groups.

More than

technology and is well

capitalized, is safe and

sound, and serves more Americans than ever.

6,000 credit unions members in assets



It's a Money Thing is a registered trademark of Currency Marketing

BROUGHT TO YOU BY

Administration (NCUA), Credit Union National Association (CUNA)

Sources: National Credit Union

- IT'S A