



Interior Savings disappointed in federal regulator's decision to ban use of common terms "to bank" and "banking" by credit unions

Kelowna, BC (July 7, 2017) – On Friday, June 30, the federal Office of the Superintendent of Financial Institutions (OSFI) issued an [advisory](#) that essentially banned credit unions from using the term "banking" to describe the services they offer Canadians. Their advisory takes a strict interpretation of the Bank Act, and based on this interpretation, the federal government could lay criminal charges against any credit union that uses the term "bank," "banker," or "banking".



"We are obviously disappointed in this decision. It goes against all elements of common sense, and puts credit unions at a distinct disadvantage," explains Kathy Conway CEO of Interior Savings. "Our credit union has higher deposit protection than banks, and offers the same financial services as federally chartered banks. This decision by OSFI makes it extremely difficult for our credit union, and for credit unions across this country, to compete fairly and without the fear of facing criminal penalty."

Credit unions have used the verb "bank" and the term "banking" to describe what they do, without penalty, for decades with the tacit support of federal officials.

"OSFI has taken a position that is inconsistent with its past practices and with common sense," said Martha Durdin, president and CEO, Canadian Credit Union Association. "The Minister has the power to fix this so that Canadians continue to have a real competitive option to the big banks."

In a given year, Canadian credit unions contribute over \$50 million to support their local communities and in 2016, paid \$160 million to their members. Last year, Interior Savings returned \$3 million in profits to members including \$453,000 in bursaries to local students, and contributed another half a million dollars to support critical community programs and services.

"In addition to creating confusion about the variety of services credit unions offer," continued Conway, "this ludicrous advisory will cost credit unions millions of dollars that would otherwise be helping to build stronger communities."

Conway adds that she hopes credit union members and communities will lend their voices in dispute of this ban whether through social media or by contacting their local MPs.

To view the Canadian Credit Union Association's response to the advisory, on behalf of the Canadian credit union industry, [click here](#).

About Interior Savings

Interior Savings is a member-owned, democratically-controlled credit union dedicated to creating local money while helping to build vibrant communities. Through its 21 branches, 16 insurance offices, Member Service Centre, and two Commercial Services Centres, the Credit Union offers personal and commercial banking and a full range of insurance and wealth management services to more than 70,000 members across 14 communities. In the past 15 years, Interior Savings has returned over \$50 million to members through its Member Rewards Program and invested nearly \$8 million in support of community programs.

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