



Credit Unions More Than Twice As Likely As Banks to Offer Free Checking Accounts

Despite free checking, credit unions are charging hefty overdraft fees

NEW YORK – March 8, 2016 – Credit unions are more than twice as likely as banks to offer free checking accounts to new customers, according to a new Bankrate.com (NYSE: RATE) report. Bankrate surveyed the nation's 50 largest credit unions and found that 76% of their checking accounts are free—meaning no service fees or per transaction charges regardless of balance or activity. Only 37% of banks can say the same. In 2010, 78% of credit unions and 65% of banks offered free checking accounts to everyone.

“At a time when free checking has become increasingly rare at large banks, it is still very prevalent among credit unions,” said Greg McBride, CFA, Bankrate.com's chief financial analyst.

The average credit union overdraft fee is \$27, which is still a pretty hefty price for a consumer's wallet, but less than the \$33 average found at banks. Credit unions' ATM fees are friendlier; 34% have no fee for going outside the network, or at least one free out-of-network withdrawal per week.

Additional Findings:

- None of the credit unions that Bankrate surveyed require more than \$100 to open an account and 66% have no minimum.
- Surcharging non-members for using a credit union's ATM is nearly universal, with 96% of credit unions doing so. The most common fee is \$3 (same as at banks).
- Just 38% of the credit union checking accounts surveyed pay interest. Of those, the most common yield is 0.05%.

Click here to view more information about Bankrate.com's 2016 Credit Union Checking Survey:

<http://www.bankrate.com/finance/credit-unions/credit-union-accounts/default.aspx>

Bankrate.com surveyed the 50 largest credit unions (by deposits) in the United States from January 13-22, 2016. The survey included one checking (share draft) account at each credit union, along with all associated debit card and ATM fees and waivers.

The bank fee data came from Bankrate.com's 2015 survey of bank checking accounts (released in Oct. 2015).

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