

Chapter 12 Money and Financial Institutions

Section 12.2 Types of Financial Institutions

Reading Activity—Make a List

Directions Read the passage about credit unions. Then, make a list of the services mentioned that credit unions offer to their members.

Many companies, labor unions, and professional groups have their own credit unions. Credit unions are not-for-profit banks set up by organizations for their customers to use. Credit union customers are called members. Credit unions offer members a full range of services, including credit cards, checking accounts, and loans. They offer low-interest loans and pay high interest rates on savings accounts, but only to their members. Many of them also pay interest on checking accounts. One advantage credit unions have over commercial banks and savings and loan associations is that they do not pay income taxes.

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