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Prospera Credit Union

SUBMISSION TO THE DEPARTMENT OF FINANCE SECOND STAGE CONSULTATION ON THE FEDERAL FINANCIAL SECTOR REVIEW

August 28, 2017



Prospera Credit Union is pleased to participate in the Department of Finance's second stage consultation on its review of the federal financial sector framework.

Prospera is a British Columbia based financial cooperative serving more than 63,000 members in communities from Kelowna to Vancouver, with a significant presence in the Fraser Valley, where our Corporate Office and Contact Centre are located. This year Prospera reached an important financial milestone with more than \$4.2 billion in Assets Under Management.

Prospera is proud to say we have been serving the financial needs of everyday families and local business for close to 75 years with a focus on building strong relationships and providing holistic advice and personalized service no matter how big or small a member's account is. Our members tell us they like banking with Prospera because we treat them like a person, not a number and we take the time to understand their individual needs.

Supporting the wellbeing of people in our local communities is something we believe is very important. In addition to offering annual Educational Awards, we invested more than \$600,000 last year through community partnerships and programs.

Our submission focuses on the Department of Finance's consultation question about the *Bank Act* restrictions on the use of the terms "bank and banking" by non-banks and credit unions in particular.

Canadians use "bank" and "banking" terminology to describe financial services. These are terms that Canadians use and understand to describe their dealings with a deposit-taking institution like a bank or a credit union. Credit unions are proud of our differences and work hard to promote them, but we need to speak in language Canadians use and understand.

Our industry association, the CCUA estimates that a ban on the use of these words would force credit unions to pay up to \$80 million to remove phrases like "on-line banking," "mobile banking" and "business banking" from signage, websites, forms and advertising.

Credit unions are sound financial institutions, well-regulated by provincial authorities and known to be prudent lenders with low loan losses. Deposit insurance provides credit union members protections equal to or greater than those available to bank depositors. Consumers can feel safe and secure banking with a credit union.

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We recommend the Department of Finance propose changes to the *Bank Act* to allow credit unions, as prudentially regulated deposit-taking institutions, to use the terms “bank” and “banking” to describe their activities and services.

Thank you for considering this submission. We welcome the opportunity to work with you.

For further information, please contact:

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