

September 21, 2017

Re: Submission to the Department of Finance Second Stage Consultation on the Federal Financial Sector Review

To Whom It May Concern:

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

XXX operates in **XXX** rural communities of Newfoundland and Labrador and has amassed approximately **XXX** in assets while striving to maintain the community values that have made credit union in Canada unique. The **XXX** branches that we operate are fixtures of the local areas that we serve and employ local people that in return help to strengthen the local economy. Our members come from all walks of life and are employed across Canada.

We feel that our credit union, like many other credit unions across the country, are unique in the sense that the level of service we provide is parred down to a "grass roots level" that is quickly disappearing in an increasing global economy. This is through our relationship with our members, our employee involvement in their communities through direct involvement with local organizations such as schools, sports groups, community charities, and other volunteer commitments. To put it mildly, the absence of credit unions in Canada would create a noticeable void in the financial services sector by stripping Canadians of freedom of choice.

XXX operates on the premise that we can service most, if not all, of the financial needs of our members at a local level, as opposed to them needing to travel great distances to access "banking" services.

Credit Union are not a "bank". However, it is our opinion, that it is impossible to explain to our members the types of financial services we provide without using the word "banking". There is no other easily identifiable terminology out there that can replace this description. We agree that to use the noun form in a credit union's name, logo, or other signage would be misleading but to try and replace the description of our services with something else would be an exercise in futility, not to mention extremely costly, thereby wiping out the investment of thousands of Canadians who are members of the many credit unions across Canada.

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 your consideration,

XXX
General Manager