

KOOTENAY SAVINGS WELCOMES FEDERAL GOVERNMENT REVIEW OF COMMON BANKING TERMINOLOGY

TRAIL, BC - Kootenay Savings is pleased with the recent decision by the federal government to review Bank Act restrictions around the use of the terms “bank, banker and banking” by credit unions as part of its ongoing review of the federal financial services framework.

The review follows a decision by the Office of the Superintendent of Financial Institutions (OSFI) to issue an advisory on June 30 outlining its interpretation of the Bank Act restrictions. These restrictions contemplate the possibility of criminal charges and millions of dollars in fines against credit unions and other non-banks that use the term “bank,” “banker,” or “banking”.

“We are pleased that Finance Minister Morneau’s office has decided to review a rule that if interpreted in the way outlined by OSFI in June, would have made it very hard for credit unions to compete fairly with banks,” shared Kootenay Savings’ President & CEO, Brent Tremblay. “All along, we’ve been looking for a common-sense solution that would allow credit unions to speak in a language familiar to Canadians, without anyone confusing us with banks.”

Following the release of the consultation paper, the Office of the Superintendent of Financial Institutions (OSFI) said it was “suspending the compliance expectations set out” in the June 30 advisory pending the Department of Finance’s review of the Bank Act restrictions. OSFI will revisit the issue once the Department of Finance has announced the completion of its review.

About Kootenay Savings

With Corporate Offices in Trail, Kootenay Savings is a member-owned credit union with eleven branches throughout the Kootenays, over \$1 billion in assets, 39,000 members and over 200 employees. In addition to the Community Foundation, Kootenay Savings also delivers wealth management strategies through its wholly owned subsidiary, Kootenay Savings MoneyWorks, and auto and general insurance through Kootenay Insurance Services Ltd.

Media Contact

Brent Tremblay, President & CEO
brent.tremblay@kscu.com | 250.368.2686