



## Skip-A-Payment Program

### What Is the Skip-A-Payment?

North Towns Federal Credit Union's Skip-A-Pay Program allows you to skip up to two monthly payments per calendar year on certain loans. Those payments are then added to the end of your loan term. The purpose of the Skip-A-Payment Program is to permit you to have use of your funds in times of need by deferring a payment and extending your loan. A \$30.00 Skip-A-Payment processing fee will be charged for each payment you elect to skip.

### What Is the Purpose of the Skip-A-Payment Plan?

We highly recommend you use this program **only** when you face a hardship such as a loss of job, loss of income, unexpected bills or to meet the financial needs of an emergency situation. We do not recommend using it as a tool to have extra cash.

### Who Can Participate in the Skip-A-Payment Plan?

The Skip-A-Payment Plan is available for eligible members who are in good standing with North Towns Federal Credit Union (NTFCU). Loans secured by real estate, VISA credit cards, or loans that are being paid through disability insurance do not qualify for the Skip-A-Payment Plan. Delinquent loans are not eligible. NTFCU has the right to deny your participation request in the plan based on reason(s) stated to you.

### Will I incur Additional Interest Charges by Choosing this Option?

YES. Your loan will incur additional interest charges because you are not paying interest or principal for the month you defer and your loan will be extended. Interest charges accrue at a daily periodic rate on the UNPAID principal balance as stated on your loan contract. The longer the loan is outstanding the more interest you will have to pay. The total FINANCE CHARGE that you pay on your loan will be greater than what was stated on your loan contract since you have elected to defer your loan payment.

### How Do I Apply for the Skip-A-Payment Plan Option?

Complete the attached authorization form and return it to our office. Separate forms are required for each loan payment you wish to defer and you must apply each time that you want to defer a loan payment. It is not automatic. Additional forms are available on our website at [www.northtownsfcu.com](http://www.northtownsfcu.com). Make certain that you read the plan information carefully and ask a loan officer for clarification if you are uncertain of any details.

### What happens to the Debt Protection or GAP coverage on my loan(s)?

If you elected to have Debt Protection or GAP coverage on your loan and then elect to defer payments using the Skip-A-Payment Program, your coverage does not extend beyond the original maturity date. It will terminate on the date outlined in the original loan agreement. *For example, a 36-month loan with two Skip-A-Payment periods becomes a 38-month loan. Your debt protection coverage is only for the original 36-month loan term.* All principal amounts not paid when due under the original loan agreement because of the changes made in the Skip-A-Payment Program shall be deemed to be in default for purposes of calculating the GAP amount in the event of a loss on the vehicle.

### Is There Anything Else I Should Know About the Skip-A-Payment Plan?

If you have direct deposit from your payroll to cover your loan payments, the deductions will continue however, your payment will not be transferred towards your loan for the month you elect to Skip-A-Pay. All other provisions of the original note except those changed by the Skip-A-Payment Program will remain in force and full effect.

### What if My Loan is Not Financed With North Towns Federal Credit Union?

You must have a North Towns loan to be eligible.

### Should I Skip a Loan Payment?

It is definitely to your advantage to make your loan payments when they are due. The Skip-A-Payment Plan is provided to help you meet your unexpected expenses when you face a hardship such as a loss of job, loss of income, unexpected bills or to meet the financial needs of an emergency situation.

## SKIP-A-PAY PROGRAM

Eligible members can skip up to two monthly payments per calendar year on certain loans.

Skip-a-pay is not available for loans secured by real estate, VISA credit cards or loans being paid through debt protection. Delinquent loans are not eligible.

*~Please complete a separate form for each eligible loan you wish to skip - photocopies accepted~*

Member Name: \_\_\_\_\_

Acct #: \_\_\_\_\_ Loan Note # \_\_\_\_\_

Home #: \_\_\_\_\_ Cell #: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

I wish to skip my loan payment for the month/year of: \_\_\_\_\_ / \_\_\_\_\_

\_\_\_\_\_ Enclosed is the Processing Fee of \$30 payable to NTFCU.

\_\_\_\_\_ Please debit my **Savings/Checking** account \$30 for the Processing Fee.  
*(circle one) (per skipped payment)*

I hereby request to defer principal and interest payments on my loan identified above. **I acknowledge that I have read and fully understand all of the provisions for the Skip-A-Payment Plan.**

Borrower's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Co-borrower's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

\*Co-borrower signature is required if there is a co-borrower on the loan.

*If your payment is more than 5 days past due, please state the reason for the delinquency:*

\_\_\_\_\_  
\_\_\_\_\_

Please complete the form above and read the disclosures for each loan you wish to Skip-A-Pay!

Return to North Towns FCU via:

Fax: 716-633-2407

E-Mail: [ccaprio@northtownsfcu.com](mailto:ccaprio@northtownsfcu.com)

U.S. Mail or Drop off: 9145 Sheridan Drive / P.O. Box 657, Clarence, NY 14031  
(for your convenience, we have a night drop located to the left of the credit union door)

Please call us at 716-630-0888 if you have any questions.

*Thank you!*