



## **Skip-A-Payment Plan**

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

The Skip-A-Payment Plan is a special loan option that permits you to skip your regular loan payment up to two(2) times each calendar year. 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?**

The purpose of the Skip-A-Payment Plan is to permit you to have access to additional funds in times of need. Examples may be for unexpected bills, Holiday expenses, or to meet the financial needs of an emergency situation. This plan is designed to assist you by permitting you to defer a loan payment at such times.

### **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. 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.ccsfcu.com](http://www.ccsfcu.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 Life Insurance, Credit Disability or GAP coverage on my loan(s)?**

If you elected to have credit disability, life insurance, or GAP coverage on your loan and then elect to defer payments using the Skip-A-Payment Program, your coverage will not cover the entire term of the loan. 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 credit insurance coverage is only for the original 36-month loan term.* All principle amounts not paid when due under the original loan documents 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 would have to refinance your loan with us to become eligible. We have low rates and flexible terms to fit your needs.

### **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 needs.

## Need a break from your loan payment? *Skip It!*

**That's right!** Eligible members can now skip their loan payment up to two(2) times each calendar year, per loan!

Skip-a-pay service is not available for loans secured by real estate, VISA credit cards or loans being paid through disability insurance.

~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)*

Is your  
loan with  
another  
financial  
institution?

Refinance  
with us  
so you can  
**S K I P**  
your  
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!*