

Family First Credit Union Lending Policy Skip a Pay Policy

FEES

Family First Credit Union will charge members \$32.00 for each skipped payment. For both open-end and closed-end loans, the amount of the skip payment fee must be included in the calculation of the Credit Union's APR for usury purposes as it is considered a finance charge under Regulation Z. The fee is considered a finance charge regardless of whether the fee is paid in cash, deducted from the members share or share draft account, or added to the loan balance. The usury limit is 18%.

Policy Statements

Your account must be in good standing. The Skip Payment Request may not be used for the initial payment on any loan. Skipping a loan payment gives Family First Credit Union the power to extend your final loan payment. Finance charges will continue to accrue on any unpaid balances. Any finance charges acquired during a skip payment term may not be covered in any possible Gap claims filed. The skip payment will cause the principal payment to pay at a slower rate than the original terms of the loan agreement which may not be covered in any possible Gap claims filed. Family First Credit Union has the right to decide whether any previous actions may disqualify your account. If your Skip Payment Request Form is granted, you will be charged a \$32.00 processing fee per loan. A granted Skip Payment Request allows the member to skip one (1) month's regular payment on that specified loan. The regular payment schedule will resume the following month after the selected skip month. Limited to one Skip Payment Request per loan per 6 months, provided your account(s) with Family First Credit Union are in good standing and no payment suspensions have been granted within six (6) months. Real Estate and Visa loans are excluded.