



SKIP-A-PAY POLICY AND GUIDELINES

Reviewed Date: July 2025

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The District Credit Union offers a Skip-A-Pay program that allows eligible members to defer one monthly loan payment under specific conditions. Participation in this program may result in additional interest charges and an extension of the original loan term.

Loan Term Impact

By participating in Skip-A-Pay, the maturity date of the loan will be extended, and interest will continue to accrue during the skipped period. This may result in a higher total finance charge over the life of the loan.

Eligibility Requirements

To qualify for the Skip-A-Pay program, all of the following conditions must be met (Exceptions may be considered on a case-by-case basis and require approval from a Credit Officer or Compliance and Collections Director):

- The loan must have been open for a minimum of 6 months.
- The account must be current and in good standing, defined as:
 - Share/checking not overdrawn
 - No late payments (payments made after grace period) within the past 6 months
 - No force-placed insurance on the account
- The Skip-A-Pay request must be submitted at least five (5) calendar days prior to the loan's due date.
- Only one Skip-A-Pay request per loan per rolling twelve (12) month period is permitted and 4 for life of loan

Ineligible Loan Types

The following loan types are not eligible for the Skip-A-Pay program:

- CD Secured Loans
- Workout Loans
- Quick Fix Loans
- Personal Lines of Credit
- Credit Cards
- Overdraft Lines of Credit
- Any Real Estate Product

Program Requirements and Fee Disclosure

- All borrowers and co-borrowers listed on the loan must sign the Skip-A-Pay request form.
- A non-refundable processing fee will apply for each approved Skip-A-Pay request. Refer to the Fee Schedule for the current fee amount.

Important Disclosures

- Participation in Skip-A-Pay may affect optional products tied to your loan (e.g., GAP insurance or payment protection). Members are responsible for reviewing individual product terms prior to submission of request.
- Skip-A-Pay does not cancel or forgive the payment; it simply defers the payment to the end of the loan term.
- The District Credit Union reserves the right to deny any Skip-A-Pay request at its sole discretion.