

(Soldier's name and return address)

(Creditor's full address)

Re: _____
(Account Number or type of Account)

Dear Sir/Ma'am:

I have been placed on active duty with the Armed Forces of the United States (effective: _____) and therefore request that my monthly obligation including payments and interest on my account be reduced pursuant to my rights under the Servicemembers Civil Relief Act, 50 U.S.C. App. § 501 (et. seq.) (SSCRA). My entry into military service has materially affected my ability to meet this obligation (incurred prior to my entry of active duty) at the original interest rate (or as it exists currently).

The SCRA (50 U.S.C. App. § 527) sets a 6% per annum ceiling on interest charges (including service charges, renewal charges, and fees) during the period of a service member's military service for obligations made before entry onto active duty when the active duty materially affects the ability to pay. Thus, the balance of my obligation may not have interest charged at a rate greater than 6% per annum and any interest above 6% must be forgiven and not accrued. Note that compliance with this law is mandatory upon the creditor once a request is made by the soldier. Failure to comply with such a request can subject the creditor to damages.

Please ensure that your records are amended/corrected to reflect that my obligation has been reduced to no more than the statutory ceiling rate of 6% and that any excess charge is withdrawn. It is my understanding that certain business entities have reduced their original interest rate to less than 6% as a good faith gesture in support of our country's military personnel and the important mission they serve. Please be further advised that you may not repossess for non-payment of an installment obligation without first complying with the provisions of the SCRA (including Section 532).

Thank you in advance for your attention and prompt action to this matter. Should there be any questions, please feel free to contact me at the address above.

Sincerely,

(Soldier's signature)