

The material in this letter provides a template for a basic situation – this is not legal advice. Each individual's situation is unique and may require more than what is provided in this template.

Speak with a licensed attorney before completing and sending this letter. It is always best to consult with an attorney regarding your legal rights and responsibilities specific to your particular situation before making a decision or taking action.

TEMPLATE LETTER FOR REDUCING RATE OF INTEREST

Instructions

- (1) Meet with a licensed attorney at an armed-service legal assistance office to discuss your specific situation.
- (2) Obtain a copy of your orders to active duty.
- (3) Replace the bolded portions in the template with the applicable information.
- (4) Print and sign the letter.
- (5) Attach a copy of your orders to active duty.
- (6) Make at least one (1) copy of the letter with all attachments to keep for your own records.
- (7) Send the original letter via certified mail return receipt requested.
- (8) Retain any written response from the creditor for your own records.
- (9) Follow-up with a licensed attorney at an armed-service legal assistance office to address any concerns.

Date

Rank and Full Name
Street Address
City, State Zip Code

Creditor's Name
Street Address
City, State Zip Code

RE: **Rank and Full Name's** Financial Obligation – **Account No.**

Dear **Sir or Ma'am**:

Pursuant to the Servicemembers' Civil Relief Act ("SCRA") 50 U.S.C. App. Section 527, this letter is my formal written request to reduce the rate of interest to six percent (6.0%) for the above referenced account.

I am currently serving on active duty with the **Branch of Armed Forces**. I entered active duty on **Date**, which was after after the time I incurred the above referenced debt. The SCRA establishes a six percent (6.0%) per annum ceiling on interest during the period of a servicemember's military service. This reduced rate became effective upon my entry to active duty on **Date**, and shall be applied retroactively to date of entry to active duty.

Under the SCRA, any interest in excess of 6.0% per year shall be forgiven. Additionally, any payments shall be reduced by the amount of interest forgiven which is allocable to the period of such payment.

Please find the copy of **My Orders to Active Duty**.

If you have any questions or concerns, you may contact me at the above address, or my commanding officer's address on the attached letter.

Respectfully Submitted,

Rank and Full Name

Attachment:
Orders to Active Duty