

6% Interest Letter

Account # _____

Dear Sir or Madam:

This letter is to inform you that I have been ordered to active duty with the United States Army from _____ to _____. A copy of my military orders is attached.

I incurred this debt prior to my entry into active duty. My entry into active military service has materially affected my ability to meet this obligation at the original interest rate.

The Service members Civil Relief Act (50 USC App. Section 501 et seq) 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 prior to the date of entry into active duty when the active duty materially affects the ability to pay.

Interest above 6% must be forgiven and not accrued. Periodic payments must be reduced by the amount of interest forgiven. Please ensure that your records reflect this statutory ceiling and that any excess charge is withdrawn.

I will inform you upon my return from military duty.

Should you have any questions, please contact my _____ at _____.

Should you have any questions as to the provisions of this law, please direct them to CPT Peter Black of the Office of the Staff Judge Advocate, Maine National Guard, (207) 430-5166.

Thank you,

_____(Rank)