

Re:

Dear Account Representative:

I am currently obligated to your company for the account referenced above. Since incurring this obligation, I have entered the active military service in the US Army on .
A copy of my orders is attached. This entry into active military service has materially affected my ability to meet this obligation. Under these circumstances, federal law prescribes the maximum interest rate which I may be charged.

The Servicemembers Civil Relief Act (50 U.S.C. App. Section 527) prescribes a ceiling of 6% annual interest on any obligation under the circumstances described above. This interest rate must be maintained for the entire period that I am on active duty. The percentage cap includes all service charges, renewal charges, and fees. The rate is applied to the outstanding balance of the obligation as of the date of entry onto active duty mentioned above. Any interest charge above this statutory ceiling must be forgiven, not accrued.

Please ensure that your records reflect this statutory ceiling and that any charges in excess of a 6% annual rate are withdrawn. You should also be aware that federal law (50 U.S.C. App. Section 531) severely restricts the manner in which you may enforce certain rights under the contract, including any right to repossession of property.

I thank you in advance for your attention to this matter. Should there be any questions, please feel free to contact me at

Sincerely,

Enclosure