**SAMPLE LETTER FROM SERVICE MEMBER TO LOWER INTEREST RATE OF LOANS**

VIA CERTIFIED MAIL

RETURN RECEIPT REQUESTED

DATE

SERVICEMEMBER NAME

ADDRESS

LENDING INSTITUTION

LENDING ADDRESS

RE: SERVICEMEMBER NAME, ACCOUNT NUMBER:

Dear Sir or Madam:

This letter is to advise you that I have been ordered to active-duty service with the United States Armed Forces. As a result of my military service, I have lost my civilian employment income. I incurred the above referenced debt prior to entry on active duty. My entry into military service has substantially affected my ability to make the payments that I agreed to make while a civilian.

I entered active duty on (ACTIVE-DUTY DATE), and am presently on active duty assigned to (UNIT NAME). The Service Members’ Civil Relief Act of 2018, 50 U.S.C.§3937, sets a six percent (6%) rate. This rate became effective upon my entry to active duty on (ACTIVE-DUTY DATE).

**Please ensure that your records reflect this statutory ceiling and that any excess charge is withdrawn. The interest over 6% must be forgiven, not just deferred and my monthly payments must be reduced by the reduction in the interest rate.** I have enclosed copies of my orders and a current leave and earnings statement. Please contact me at the above address with a revised payment schedule. Thank you for your understanding and support in this matter.

Sincerely,

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Attachments: *Copy of Current Leave and Earnings Statement; Copy of Activation Orders*