



Servicemembers Civil Relief Act

The Servicemembers Civil Relief Act covers all active duty servicemembers, reservists and members of the National Guard while on active duty and active service commission officers of the Public Health and National Oceanic and Atmospheric Administration. The Act allows servicemembers to suspend or postpone certain civil obligations, and can provide protection upon entering active duty and up to 90 days after discharge from active duty.

Some of the more commonly requested provisions include:

- **Six Percent Rule:** A debt incurred by a servicemember or jointly by servicemember and spouse prior to active duty may be reduced to 6%.
- **Credit Rating Protection:** Lenders cannot deny or generate negative credit rating because servicemember sought protection.
- **Foreclosure Protection:** A court order is required before real estate can be foreclosed or vehicles repossessed for breach of contract due to active duty.
- **Insurance Protection:** Servicemembers' health insurance that was canceled during active duty can be reinstated without loss of benefits.
- **Termination of Rental Leases:** Servicemembers who enter active duty service after signing a rental or lease agreement may be able to cancel their lease agreement.

Servicemembers should seek legal advice from their Armed Forces Legal Assistance Office for applicable provisions to apply.



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