

Be an informed consumer:

Know your rights & privileges as a proud service member

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As an active service member, you are entitled to certain unique consumer rights and privileges under Federal Law.



Service Members Civil Relief Act

Who does this Service Members Civil Relief Act apply to?

- Full-time active duty members of the Army, Navy, Marine Corps, or Coast Guard, reservists on federal active duty and members of the National Guard on federal orders for more than 30 days

What protections do you have under this law?

- If you enter into a financial obligation before entering military service, the interest rate for that obligation **cannot exceed 6 percent per year**. This provision applies mortgages, home equity loans, vehicle loans, credit card debt, and student debt.
- If a creditor sues you for default while you are on active duty, you are entitled to an attorney to represent you during the proceedings.
- Creditors **cannot foreclose on your mortgage unless they obtain a court order**.
- If you made a deposit or at least one installment payment on a vehicle loan, a creditor **may not repossess your vehicle without a court order**.
- If you receive a permanent change of station or deployment order for **longer than 90 days**, you are able to **terminate a lease for an apartment** if you provide your landlord with a copy of your military orders and a written notice.

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Military Lending Act

Who does the Military Lending Act (MLA) apply to?

- Active duty members of the armed forces, active members of National Guard and Reserve forces, their spouses, and certain dependents

What protections do you have under this law?

- A **36% Military Annual Percentage Rate cap** (including interest, fees, credit service charges, credit renewal charges, credit insurance premiums, etc.)
- Creditors **must tell you the interest rate** of the loan orally and in writing
- Creditors **cannot ask you to waive any laws** which protects active duty military members from being sued
- Creditors **cannot require you to submit to arbitration**
- Creditors cannot require you to create a voluntary allotment in order to get the loan
- Creditors **cannot charge a penalty when you pay back a loan early**



Resources

If you are ever denied your protections under the laws above or are victim of any type of consumer fraud, there are many resources you can rely on:

- The **Federal Trade Commission (FTC)** collects complaints from military personnel to share with civil, criminal, and military law enforcement (Visit <https://www.consumer.ftc.gov/> for more information)
- The **Consumer Financial Protection Bureau (CFPB)** has an Office of Servicemembers Affairs that specifically deals with financial matters regarding military members, veterans, and their families (Visit www.consumerfinance.gov/servicemembers for more information)
- **USA.gov** offers advice to US service members and veterans on their resources (Visit www.usa.gov/active-duty-military for more information)