

SERVICEMEMBERS CIVIL RELIEF ACT ADVICE AND STATEMENT OF UNDERSTANDING

1. I, _____, by my signature at the bottom of this page, am hereby informed of the rights I gain as a servicemember under the Servicemembers Civil Relief Act of 2003 (50 U.S.C. App §§ 501-597b) (the "SCRA"). I am also hereby informed, as required by 50 U.S.C. App § 515, regarding how I may learn more about the extent of these rights and how to exercise those rights.

2. GENERAL INFORMATION:

The Servicemembers Civil Relief Act of 2003 is a Federal law that replaced the Soldiers and Sailors Civil Relief Act. It provides many new legal rights to you and, in some cases, your dependents. For more information on the SCRA and how to exercise your rights, you should (a) consult with a military Legal Assistance attorney provided to you (and your spouse) free of charge at most military installations, and (b) read the SCRA information found at http://www.marines.mil/unit/judgeadvocate/Pages/JAL/JAL_home.aspx or <https://www.nko.navy.mil/portal/home> [enter "SCRA" in the search box].

3. WHO IS COVERED:

Members of the Air Force, Army, Coast Guard, Marine Corps, and Navy on active duty (including Reserves ordered to active duty), Public Health Service and National Oceanic and Atmospheric Administration Officers, and National Guard members called to Federal active service in excess of thirty (30) days. U.S. citizens serving with a U.S. allied force in the prosecution of a war or military action are likewise covered. Dependents (which generally includes spouse, children, and those you provide more than one-half of their support) of these people are covered under some sections of the SCRA.

4. RIGHTS. A useful, but not all inclusive summary of the SCRA's many rights follows:

a. **Exercising Your Rights:** you may exercise your SCRA rights yourself, or you may have (i) an attorney, or (ii) another person to whom you have delegated (by Power of Attorney) the ability to exercise your SCRA rights for you;

b. **Retaliation Protection:** creditors, landlords, insurers, and others may not take adverse action (for example, denying credit, issuing adverse credit reports) against you *solely* because you exercise your SCRA rights;

c. **Terminating Leases and Cell Phone Contracts:** you may be able to terminate a lease for your home, apartment, business, or motor vehicle. You may also be able to terminate a cell phone contract that you signed prior to active duty, or during active duty when you receive deployment or PCS orders;

d. **6% Interest Rate Cap on Debts:** some pre-service debts (but no debts incurred during active duty) may be limited to a six percent (6%) interest rate, if you follow the SCRA's procedures. Examples include mortgages, consumer debts, and federally insured student loans;

e. **Eviction Protection:** you or your dependents may not be evicted from a dwelling with rent not greater than \$2,975.54 (as of Jan 2011) without a court order; if the landlord obtains a court order, a court may delay the eviction for 90 days;

f. **Installment Contracts for Property:** pre-service installment contracts for real or personal property (including a motor vehicle) where you have made deposits or payments may not be terminated or the property repossessed for breach or non-payment *unless* a court issues a court order;

g. **Stays/Delays in Proceedings:** if you cannot appear at court or an administrative proceeding concerning a civil matter because of your military service, you may request an automatic 90-day delay in any judicial (court) or administrative hearing, by following the SCRA's procedures; you may also request additional stays if you cannot appear due to your military service; this does not apply to criminal proceedings.

h. **Default Judgments:** if you do not respond to a lawsuit against you, you may be ruled against in a "default judgment"; before a judgment is entered, the opposing party must inform the court whether you are in the military, and if so, the court must appoint an attorney to represent your interests; if default judgment is entered against you, you may attempt to *reopen* that judgment no later than 90 days after you leave the military service;

i. **Statutes of Limitations:** except with regard to IRS (federal tax) laws, your period of military service is *excluded* from calculating statutes of limitations (times during which court actions or administrative proceedings may be brought *by* or *against* you or your heirs, executors, administrators, or assigns);

j. **Mortgages and Storage Liens:** actions to enforce pre-service mortgages or storage liens generally must be stayed or adjusted during your military service, if you appropriately so request from the court; sales, foreclosures, or seizures without court order will be invalid unless you have executed a valid SCRA waiver;

k. **Taxes:** generally (1) your and your spouse's state of legal residence and domicile is unaffected by your military service within other states; (2) your military compensation is not "income" for tax purposes of states where you are not a legal resident or domiciliary; (3) states where you are not a legal resident or domiciliary cannot use your military income to increase your spouse's tax liability; (4) upon your request, the federal and state government tax authorities *may* grant deferrals of income taxes due before or during military service, but cannot add interest or penalties if they grant your deferral request; (5) your property cannot be sold or foreclosed to satisfy your unpaid taxes except by court order; (6) the amount of taxes (other than income tax) or assessments due and unpaid will bear an interest rate of 6% per year and courts *can* stay proceedings to enforce tax collection, assessment, or tax-related property sales.

l. **Professional, Health, Life Insurance:** (a) certain types of professional liability insurance may be suspended during active duty upon written request, and reinstated upon release from active duty, with restrictions on how premiums may be increased during your active duty service; (b) health insurance active the day before your service commences, terminated during active duty, generally may be reinstated within 120 days from your release from active duty; (c) for life insurance policies in force 180 days or more before your service, coverage may not be decreased, nor premiums increased, and you may request the Secretary of Veteran Affairs to protect policies up to the greater of \$250,000 or an amount equal to the SGLI maximum limit from termination due to nonpayments of premiums, interest, or indebtedness on a premium, during your military service and 2 years thereafter.

m. **Small Owner business Protection:** if you are personally liable for obligations of your business or trade, your non-business assets and military pay are, in general, sheltered from creditors with respect to those obligations during your military service;

n. **Voting Rights:** your and your spouse's residency for Federal, State, or local voting purposes is unaffected by your absence from your voting state due to your military service;

o. **Other Relief:** you may apply to courts for "general relief" on other matters no later than 180 days from your release from military service.

5. WAIVER OF SCRA RIGHTS. You may waive any of the rights and protections provided by the SCRA. Waivers of many rights and protections must be in writing in an instrument separate from the obligation or liability to which it applies. You should consult with a Legal Assistance attorney before waiving your rights.

6. EXERCISING YOUR RIGHTS: There are many time limitations and procedural requirements for you to exercise your SCRA rights. If you have any questions about your rights or anticipate needing to exercise your SCRA rights, immediately seek the advice of free military Legal Assistance attorneys.

7. SIGNATURE BELOW: Signing this document indicates that you have reviewed this document completely and understand its contents.

16a. SIGNATURE		DATE
17. WITNESS AND ACCEPTANCE. The execution of this document was witnessed by me who accepted it on behalf of the United States Department of Defense as fulfilling the notice requirement of the SCRA of 2003.	a. SIGNATURE	DATE

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