



STATESIDELEGAL

Legal help for military members, veterans and their families

Stateside Legal™

Stop Contact Letter to Debt Collector

(Protections under the Servicemembers Civil Relief Act)

This self-help resource was created by the Stateside Legal Project. Stateside Legal provides these sample forms and information free of charge to individuals with military connections (IMC). These forms are not based upon any specific state law or jurisdiction. This packet is based on the Fair Debt Collection Practices Act and is intended as a sample to assist individuals with military connections.

READ ALL INSTRUCTIONS IN THIS PACKET VERY CAREFULLY.

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MORE INFORMATION

For information about the Servicemembers Civil Relief Act or many more topics concerning individuals with military connections, visit www.statesidelegal.org or contact your local Judge Advocate General's Corps office, sometimes referred to as a military legal assistance office. Use the following website to locate the nearest one: <http://legalassistance.law.af.mil/content/locator.php>.

DISCLAIMER: *The Stateside Legal Information Series is produced by the Pine Tree Legal Assistance of Maine®, Arkansas Legal Services Partnership®, and the Legal Services Corporation®. These organizations promote or provide free legal services to eligible low-income people. Additional information can be found at www.lsc.gov. This sample form packet is given to you as a guide to help you generally understand the way legal matters are handled. Local courts interpret things differently. The information and statements of law contained in this fact sheet are not intended to be used as legal advice. Before you take any action, talk to an attorney and follow his or her advice. Always do what the court tells you to do.*

SERVICEMEMBER NAME
ADDRESS
CITY, STATE ZIP

DATE

COLLECTION AGENCY
ADDRESS
CITY, STATE ZIP

RE: Debtor:
Creditor:
Account #:

Dear Sir or Madam:

Your company has recently contacted me in regards to the above-referenced alleged debt.

USE THIS PARAGRAPH IF UNABLE TO PAY: At the present time I am unable to pay the alleged debt. Accordingly, pursuant to the provisions of the Federal Fair Debt Collections Practices Act, 15 U.S.C. § 1692c(c), I hereby demand that you cease any further attempts to contact me, my family, or any third party regarding this alleged debt other than for purposes of verifying the debt.

Should you fail to comply with this instruction, I am prepared to file a complaint with the (state) Attorney General, Federal Trade Commission, Bureau of Consumer Financial Protection, as well as pursue your violations of the Fair Debt Collections Practices Act in federal court. Your cooperation will be appreciated.

This is not in any way an acknowledgement that I owe this alleged debt.

USE THIS PARAGRAPH IF YOU DISPUTE THE ALLEGED DEBT:

I do not believe I owe this alleged debt and I ask that you verify it. Accordingly, pursuant to the provisions of the Federal Fair Debt Collections Practices Act, 15 U.S.C. § 1692c(c), I hereby demand that you cease any further attempts to contact me, my family, or any third party regarding this alleged debt.

Should you fail to comply with this instruction, I am prepared to file a complaint with the (state) Attorney General, Federal Trade Commission, Consumer Financial Protection Bureau, as well as pursue your violations of the Fair Debt Collections Practices Act in federal court. Your cooperation will be appreciated.

This is not in any way an acknowledgement that I owe this alleged debt.

USE THIS PARAGRAPH IF YOU INTEREST RATE IS ABOVE 6%

The Servicemembers Civil Relief Act, 50 U.S.C. § 3937, sets a six percent (6%) per annum ceiling on interest charges (including service charges, renewal charges and fees) during the

period of a servicemember's military service for obligations made prior to the date of entry onto active duty when the active duty materially affects the ability to pay. Since entering active-duty, I have experienced a decrease in salary, adversely affecting my ability to pay. As an active-duty servicemember, I am therefore qualified for protection under the federal Servicemembers Civil Relief Act ("SCRA"), 50 U.S.C. § 4041 in which the Attorney General is authorized to file a federal lawsuit against any person (or entity) who violates the SCRA against a servicemember. Thus, I am informing you that the SCRA requires forgiveness of the debt amount allegedly accrued due to any interest charged above the 6% limitation during my active duty service. This rate became effective upon my entry to active duty on (ACTIVE DUTY DATE).

This is not in any way an acknowledgement that I owe this alleged debt.

Sincerely,

SERVICEMEMBER NAME

LAW YOU SHOULD KNOW

The Fair Debt Collections Practices Act, 15 U.S.C. § 1692c, gives you the right to send a letter to a collection agency telling them to stop contacting you. The letter can also point out billing mistakes and request verification of the debt (such as a copy of the contract that you signed). You can change this letter to meet your situation if you need to include other information. If they do not follow this request, you can file a consumer complaint with your state Attorney General, file a consumer complaint with the Federal Trade Commission for unfair business practices, file a consumer complaint with the Consumer Financial Protection Bureau, or in the alternative, **you can sue them.**

There may be other federal protections, depending on your military status, that can help with credit issues. For example, the purpose of the Servicemembers Civil Relief Act (SCRA) is to provide protection to servicemembers who have difficulty meeting their financial and legal obligations because of their military service. The SCRA (Section 3937) provides the active duty service member with the benefit of a six percent (6%) per annum ceiling on interest charges for credit cards. This interest rate includes service charges, renewal charges, and fees. Also, the creditor must forgive any interest in excess of six percent (6%) and decrease your payment. Visit statesidelegal.org for more information about the SCRA.

THIS SAMPLE LETTER HAS SEVERAL PURPOSES:

- To demand that the collection agency stop calling (**as required by law**);
- To demand that the collection agency verify the alleged debt;
- To make the collection agency understand that you cannot pay and that nothing they do will make you pay (so they will not want to contact you anymore); or
- To state in writing that you are contesting that you owe the debt.

INSTRUCTIONS FOR USING THIS SAMPLE LETTER PACKET

1. Make sure that the letter includes your correct name and account number so the collection agency knows who to stop calling.
2. Make sure to use the correct sections of the letter as it applies to your situation and delete the content not needed.
3. Keep a copy of this letter for yourself. Send the original by Certified Mail, Return Receipt Requested from the Post Office. That will give you proof that you sent the letter.

AFTER YOU SEND THE LETTER

After you send this letter, give the collection agency 10 days to receive it and process it. **If, after the 10 days, the collection agency is still calling, you should consider filing a complaint with your state Attorney General, Federal Trade Commission, Bureau of Consumer Financial Protection, or contact a lawyer, such as a military legal assistance attorney.** Remember that non-collection agencies (when a creditor handles its own bills) are not required to stop contacting you under the FDCPA.

MORE INFORMATION

For information about Stateside Legal or many more topics about Individual with Military Connections visit www.statesidelegal.org or contact your local Judge Advocate General's Corps office, sometimes referred to as a military legal assistance office. Use the following website to locate the nearest one: <http://legalassistance.law.af.mil/content/locator.php> .

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