

[Date]

[Borrower Name]

[Borrower Address]

[City, State, Zip Code]

RE: Notice of Eligibility for Military Forbearance

Account Number: [Account Number]

Dear [Borrower Name],

We are writing to inform you that, based on the documentation provided regarding your active duty military status, you are eligible for a military forbearance on your loan account under the Servicemembers Civil Relief Act (SCRA) and/or applicable program guidelines.

Forbearance Details:

- **Start Date:** [Start Date]
- **End Date:** [End Date]
- **Interest Rate:** During this period, your interest rate will be capped at [Percentage]%.

What this means for you:

During the forbearance period, your obligation to make monthly payments is temporarily suspended or reduced. Please note that interest may continue to accrue on your principal balance during this time. At the end of the forbearance period, any unpaid interest may be capitalized (added to your principal balance), which may increase your total loan cost and monthly payment amount.

Next Steps:

You are not required to take further action to activate this benefit. However, should your military orders change or if you wish to resume payments early, please contact our office immediately.

Once your active duty service ends, you will be required to resume your regular monthly payments. We will send you a reminder notice prior to the expiration of this forbearance.

Thank you for your service to our country.

Sincerely,

[Name/Department]

[Financial Institution Name]

[Phone Number]

[Website]