



Updated Military Lending Act (MLA)

At a Glance

The MLA helps protect Service members and their families from predatory loan practices that pose a threat to personal financial and military readiness.

The MLA limits the maximum cost of credit to a Military Annual Percentage Rate (MAPR) of 36%. Special protections for Service members and families include mandatory disclosures and a prohibition of certain predatory practices.

What's New?

Starting October 3, 2016 the MLA:

- Covers most forms of consumer credit.
- Prohibits lenders from requiring you to waive your legal rights.
- Requires lenders to provide certain disclosures.



Knowing your financial protections helps secure your financial future.

COST OF YOUR LOAN CANNOT EXCEED 36%

The MAPR represents the cost of a loan and is one way to compare loan options. It includes interest and fees, the costs of credit insurance / protection premiums, and credit-related ancillary products sold in connection with the loan. The MAPR cannot exceed 36% for covered borrowers.

What credit products are covered?

- Installment loans
- Pawn loans, payday
- Vehicle title, tax refund
- Credit cards (* Compliance date October 3, 2017)

What credit products are not covered?

- Home equity lines of credit
- Loans to purchase or refinance a home
- Auto finance loans secured by the vehicle
- Loans secured by the personal property purchased

How do I know if I am protected by the MLA?

You are covered if you are on active duty along with your family members enrolled in DEERS. This includes members of the Guard and Reserve activated for 30 days or longer.



For More Information Visit:

- Local Staff Judge Advocate (JAG) Office
- Installation Financial Readiness Office
- The Consumer Financial Protection Bureau
www.consumerfinance.gov
- Military OneSource
www.militaryonesource.mil