

of any substantive or procedural defense (including a defense relating to lack of personal jurisdiction).

**(d) Additional stay**

**(1) Application**

A servicemember who is granted a stay of a civil action or proceeding under subsection (b) may apply for an additional stay based on continuing material affect of military duty on the servicemember's ability to appear. Such an application may be made by the servicemember at the time of the initial application under subsection (b) or when it appears that the servicemember is unavailable to prosecute or defend the action. The same information required under subsection (b)(2) shall be included in an application under this subsection.

**(2) Appointment of counsel when additional stay refused**

If the court refuses to grant an additional stay of proceedings under paragraph (1), the court shall appoint counsel to represent the servicemember in the action or proceeding.

**(e) Coordination with section 201**

A servicemember who applies for a stay under this section and is unsuccessful may not seek the protections afforded by section 201 [section 521 of this Appendix].

**(f) Inapplicability to section 301**

The protections of this section do not apply to section 301 [section 531 of this Appendix].

(Oct. 17, 1940, ch. 888, title II, §202, as added Pub. L. 108-189, §1, Dec. 19, 2003, 117 Stat. 2842; amended Pub. L. 108-454, title VII, §703, Dec. 10, 2004, 118 Stat. 3624; Pub. L. 110-181, div. A, title V, §584(b), Jan. 28, 2008, 122 Stat. 128.)

PRIOR PROVISIONS

A prior section 522, act Oct. 17, 1940, ch. 888, art. II, §202, 54 Stat. 1181, related to fines and penalties on contracts, prior to the general amendment of this Act by Pub. L. 108-189. See section 523 of this Appendix.

AMENDMENTS

2008—Subsec. (a). Pub. L. 110-181 inserted “, including any child custody proceeding;” after “civil action or proceeding” in introductory provisions.

2004—Subsec. (a). Pub. L. 108-454 inserted “plaintiff or” before “defendant” in introductory provisions.

STAY OF JUDICIAL PROCEEDINGS

Pub. L. 102-12, §6, Mar. 18, 1991, 105 Stat. 37, provided that:

“(a) STAY OF ACTION OR PROCEEDING.—In any judicial action or proceeding (other than a criminal proceeding) in which a member of the Armed Forces described in subsection (b) is involved (either as plaintiff or defendant), the court shall, upon application by such member (or some other person on the member's behalf) at any stage before final judgment is entered, stay the action or proceeding until a date after June 30, 1991.

“(b) MEMBERS COVERED.—A member of the Armed Forces is covered by subsection (a) if at the time of application for the stay of a judicial action or proceeding the member—

“(1) is on active duty; and

“(2) is serving outside the State in which the court having jurisdiction over the action or proceeding is located.

“(c) DEFINITION.—For purposes of this section, the term ‘State’ includes the District of Columbia, the

Commonwealth of Puerto Rico, the Virgin Islands, and Guam.”

**§ 523. Fines and penalties under contracts**

**(a) Prohibition of penalties**

When an action for compliance with the terms of a contract is stayed pursuant to this Act [sections 501 to 515 and 516 to 597b of this Appendix], a penalty shall not accrue for failure to comply with the terms of the contract during the period of the stay.

**(b) Reduction or waiver of fines or penalties**

If a servicemember fails to perform an obligation arising under a contract and a penalty is incurred arising from that nonperformance, a court may reduce or waive the fine or penalty if—

(1) the servicemember was in military service at the time the fine or penalty was incurred; and

(2) the ability of the servicemember to perform the obligation was materially affected by such military service.

(Oct. 17, 1940, ch. 888, title II, §203, as added Pub. L. 108-189, §1, Dec. 19, 2003, 117 Stat. 2843.)

PRIOR PROVISIONS

A prior section 523, act Oct. 17, 1940, ch. 888, art. II, §203, 54 Stat. 1181, related to stay or vacation of execution of judgments and attachments, prior to the general amendment of this Act by Pub. L. 108-189. See section 524 of this Appendix.

**§ 524. Stay or vacation of execution of judgments, attachments, and garnishments**

**(a) Court action upon material affect determination**

If a servicemember, in the opinion of the court, is materially affected by reason of military service in complying with a court judgment or order, the court may on its own motion and shall on application by the servicemember—

(1) stay the execution of any judgment or order entered against the servicemember; and

(2) vacate or stay an attachment or garnishment of property, money, or debts in the possession of the servicemember or a third party, whether before or after judgment.

**(b) Applicability**

This section applies to an action or proceeding commenced in a court against a servicemember before or during the period of the servicemember's military service or within 90 days after such service terminates.

(Oct. 17, 1940, ch. 888, title II, §204, as added Pub. L. 108-189, §1, Dec. 19, 2003, 117 Stat. 2843.)

PRIOR PROVISIONS

A prior section 524, act Oct. 17, 1940, ch. 888, art. II, §204, 54 Stat. 1181, related to duration and term of stays and codefendants not in service, prior to the general amendment of this Act by Pub. L. 108-189. See section 525 of this Appendix.

**§ 525. Duration and term of stays; codefendants not in service**

**(a) Period of stay**

A stay of an action, proceeding, attachment, or execution made pursuant to the provisions of