

Part 2

Restrictions on Automatic Renewal Provisions

15-10-201 Notice requirement.

- (1) Except as provided in Subsection (2)(b), a service contract may not contain an automatic renewal provision unless the seller provides the consumer written notice complying with Subsection (2) that informs the consumer of the automatic renewal provision.
- (2)
 - (a) For a service contract executed on or after July 1, 2011, that exceeds 12 months for a renewal period, a seller shall provide written notice of an automatic renewal provision prominently displayed on the first page of the service contract.
 - (b) In addition to complying with Subsection (2)(a), a seller shall provide written notice required under Subsection (1) to the consumer:
 - (i) personally;
 - (ii) by certified mail; or
 - (iii) prominently displayed on the first page of a monthly statement.
 - (c)
 - (i) A seller shall provide written notice under Subsection (2)(b):
 - (A) no later than 30 calendar days before the last day on which the consumer may give notice of the consumer's intention to terminate the service contract; and
 - (B) no sooner than 90 calendar days before the last day on which the consumer may give notice of the consumer's intention to terminate the service contract.
 - (ii) A seller may not provide written notice required under Subsection (1) except:
 - (A) as provided in Subsection (2)(a); or
 - (B) during the time period described in Subsection (2)(c)(i).
 - (d) Written notice required under Subsection (1) shall be:
 - (i) written in clear and understandable language; and
 - (ii) printed in an easy-to-read type size and style.

Amended by Chapter 189, 2014 General Session

15-10-202 Remedy for violation.

- (1) Subject to Subsection (2), if a seller does not comply with Section 15-10-201 with respect to a service contract containing an automatic renewal provision:
 - (a) the automatic renewal provision is void and unconscionable as a matter of public policy; and
 - (b) the service contract shall automatically renew on a month-to-month basis.
- (2) Subsection (1) applies to an automatic renewal provision in a service contract with a business consumer for which a seller does not comply with Section 15-10-201 only if the service contract is executed on or after July 1, 2011.

Amended by Chapter 262, 2011 General Session