



General Assembly

**Substitute Bill No. 6502**

*January Session, 2003*

**AN ACT CONCERNING CERTAIN PURCHASES OF MERCHANDISE  
UNDER THE RETAIL INSTALLMENT SALES FINANCING ACT.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 36a-771 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2003*):

3 (a) Every retail installment contract shall be in writing, shall contain  
4 all the agreements of the parties and shall be completed as to all  
5 essential provisions prior to the signing of the contract by the retail  
6 buyer. No installment contract shall be signed by the retail buyer when  
7 such contract contains blank spaces to be filled in except that this  
8 provision shall not apply to serial number or other identifying marks  
9 which are not available for description at the time of execution of such  
10 contract. The retail seller shall deliver to the retail buyer a true and  
11 complete executed copy of the retail installment contract at the time  
12 the retail buyer signs such contract.

13 (b) Every retail installment contract for the purchase of consumer  
14 goods subject to section 36a-774 and this section shall set forth the  
15 information required to be disclosed under sections 36a-675 to 36a-685,  
16 inclusive, and the regulations thereunder, using the form, content and  
17 terminology provided therein.

18 (c) Retail installment contracts shall contain the following  
19 statements, printed in a size equal to at least ten-point bold type: (1) At

20 the top of the contract, the words "RETAIL INSTALLMENT  
21 CONTRACT"; (2) a definite statement that the insurance, if any,  
22 included in the retail installment sale provides or does not provide  
23 coverage for personal liability and property damage caused to others,  
24 as the case may be; (3) the following notice directly above the space  
25 reserved for the signature of the buyer: "NOTICE TO THE BUYER: 1.  
26 Do not sign this contract before you read it or if it contains any blank  
27 space. 2. You are entitled to a completely filled-in copy of the contract  
28 when you sign it. 3. Under the law, you have the following rights,  
29 among others: (a) To pay off in advance the full amount due and  
30 obtain a partial refund of any unearned finance charge; (b) to redeem  
31 the property if repossessed for a default; (c) to require, under certain  
32 conditions, a resale of the property if repossessed." Until October 1,  
33 1982, any retail seller may, at his option, use the notice required by the  
34 provisions of this section in effect prior to May 18, 1981.

35 (d) Each retail installment sales contract for the sale of merchandise  
36 on a deferred payment schedule shall also contain an explanation of  
37 the consequences of the failure of the retail buyer to make the first or  
38 future deferred installment payments under the contract in a timely  
39 manner, including a clear statement of whether or not interest would  
40 be charged for the entire period of deferment under the contract and, if  
41 so, the rate of such interest. Such explanation shall be printed in a size  
42 equal to at least ten-point bold type. Such deferred payment schedule  
43 shall not be effective unless the contract contains such provisions and  
44 the retail buyer acknowledges in writing on the contract that he or she  
45 has been informed of the consequences of failing to make the first or  
46 future installment payments in a timely manner.

This act shall take effect as follows:	
Section 1	October 1, 2003

**BA**      *Joint Favorable Subst.*

**GL**      *Joint Favorable*

**JUD**      *Joint Favorable*