

years after the date on which the statement is signed by the consumer.

(Pub. L. 90-321, title IV, §405, as added Pub. L. 104-208, div. A, title II, §2451, Sept. 30, 1996, 110 Stat. 3009-457.)

#### REFERENCES IN TEXT

The Credit Repair Organization Act, referred to in subsec. (a), probably means the Credit Repair Organizations Act, Pub. L. 90-321, title IV, as added Pub. L. 104-208, div. A, title II, §2451, Sept. 30, 1996, 110 Stat. 3009-454, which is classified generally to this subchapter. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of this title and Tables.

#### PRIOR PROVISIONS

For a prior section 405 of Pub. L. 90-321, see note set out under section 1679 of this title.

#### EFFECTIVE DATE

Section applicable after the end of the 6-month period beginning on Sept. 30, 1996, except with respect to contracts entered into by a credit repair organization before the end of such period, see section 413 of Pub. L. 90-321, as added by Pub. L. 104-208, set out as a note under section 1679 of this title.

### § 1679d. Credit repair organizations contracts

#### (a) Written contracts required

No services may be provided by any credit repair organization for any consumer—

- (1) unless a written and dated contract (for the purchase of such services) which meets the requirements of subsection (b) has been signed by the consumer; or
- (2) before the end of the 3-business-day period beginning on the date the contract is signed.

#### (b) Terms and conditions of contract

No contract referred to in subsection (a) meets the requirements of this subsection unless such contract includes (in writing)—

- (1) the terms and conditions of payment, including the total amount of all payments to be made by the consumer to the credit repair organization or to any other person;
- (2) a full and detailed description of the services to be performed by the credit repair organization for the consumer, including—
  - (A) all guarantees of performance; and
  - (B) an estimate of—
    - (i) the date by which the performance of the services (to be performed by the credit repair organization or any other person) will be complete; or
    - (ii) the length of the period necessary to perform such services;
- (3) the credit repair organization's name and principal business address; and

(4) a conspicuous statement in bold face type, in immediate proximity to the space reserved for the consumer's signature on the contract, which reads as follows: "You may cancel this contract without penalty or obligation at any time before midnight of the 3rd business day after the date on which you signed the contract. See the attached notice of cancellation form for an explanation of this right."

(Pub. L. 90-321, title IV, §406, as added Pub. L. 104-208, div. A, title II, §2451, Sept. 30, 1996, 110 Stat. 3009-458.)

#### PRIOR PROVISIONS

For a prior section 406 of Pub. L. 90-321, see note set out under section 1679 of this title.

#### EFFECTIVE DATE

Section applicable after the end of the 6-month period beginning on Sept. 30, 1996, except with respect to contracts entered into by a credit repair organization before the end of such period, see section 413 of Pub. L. 90-321, as added by Pub. L. 104-208, set out as a note under section 1679 of this title.

### § 1679e. Right to cancel contract

#### (a) In general

Any consumer may cancel any contract with any credit repair organization without penalty or obligation by notifying the credit repair organization of the consumer's intention to do so at any time before midnight of the 3rd business day which begins after the date on which the contract or agreement between the consumer and the credit repair organization is executed or would, but for this subsection, become enforceable against the parties.

#### (b) Cancellation form and other information

Each contract shall be accompanied by a form, in duplicate, which has the heading "Notice of Cancellation" and contains in bold face type the following statement:

"You may cancel this contract, without any penalty or obligation, at any time before midnight of the 3rd day which begins after the date the contract is signed by you.

"To cancel this contract, mail or deliver a signed, dated copy of this cancellation notice, or any other written notice to [ name of credit repair organization ] at [ address of credit repair organization ] before midnight on [ date ]  
 "I hereby cancel this transaction,  
 [ date ]  
 [ purchaser's signature ]."

#### (c) Consumer copy of contract required

Any consumer who enters into any contract with any credit repair organization shall be given, by the organization—

- (1) a copy of the completed contract and the disclosure statement required under section 1679c of this title; and
- (2) a copy of any other document the credit repair organization requires the consumer to sign,

at the time the contract or the other document is signed.

(Pub. L. 90-321, title IV, §407, as added Pub. L. 104-208, div. A, title II, §2451, Sept. 30, 1996, 110 Stat. 3009-459.)

#### PRIOR PROVISIONS

For a prior section 407 of Pub. L. 90-321, see note set out under section 1679 of this title.

#### EFFECTIVE DATE

Section applicable after the end of the 6-month period beginning on Sept. 30, 1996, except with respect to contracts entered into by a credit repair organization before the end of such period, see section 413 of Pub. L. 90-321, as added by Pub. L. 104-208, set out as a note under section 1679 of this title.