



Ohio Revised Code

Section 1345.44 Prepaid entertainment contract form.

Effective: July 26, 1984

Legislation: House Bill 198 - 115th General Assembly

(A) Every prepaid entertainment contract shall state the date on which the buyer actually signs. The seller shall give the buyer a copy of the contract that has been signed by the seller and complies with division (B) of this section.

(B) All of the following apply to any prepaid entertainment contract:

(1) A completed form, in duplicate, captioned "notice of cancellation," shall be attached to the contract signed by the buyer and be easily detachable and shall contain in ten-point boldface type, the following statement:

"NOTICE OF CANCELLATION

(Enter date of contract)

.....

(Date)

You may cancel this contract for any reason at any time prior to midnight of the third business day after the date on which the first service under the contract is available, and if the facility or services that is the subject of the contract is not available when you sign the contract, you may cancel the contract at any time prior to midnight of the seventh business day after the date on which you receive your first service under the contract. If you cancel within this period, the seller must send you a full refund of any money you have paid, except that a reasonable expense fee not to exceed ten dollars may be charged if you have received your first service under the contract. The seller must also cancel and return to you within twenty business days any papers that you have signed.

To cancel this contract you must deliver in person, manually, or by certified mail, return receipt



requested, the signed and dated copy of this cancellation notice or any other written notice of cancellation, or send a telegram, to (name of seller), at (the address of any facility available for use by you) not later than midnight of the third business day after the date on which the first service under the contract is available, and if the facility or service that is the subject of the contract is not available when the contract was signed, not later than midnight of the seventh business day after the date on which the first service under the contract is available.

I hereby cancel this contract.

.....

(Date)

.....

(Buyer's signature)"

(2) Before furnishing copies of the notice of cancellation to the buyer, the seller shall complete both copies by entering the name of the seller, the address of the seller's place of business, and the date of the contract.

(C) Until the seller has complied with this section, the buyer may cancel the contract by delivering to the seller by certified mail, personal or manual delivery, or telegraphing written notice of his intention to cancel. The period within which the buyer may cancel the contract prescribed by this section begins to run from the time of the seller complies with divisions (A) and (B) of this section.

(D) In any prepaid entertainment contract no seller shall:

(1) Include in any contract, any confession of judgment or any waiver of any rights to which the buyer is entitled under this section, including specifically his right to cancel the contract in accordance with this section;

(2) Fail to inform each buyer orally, at the time he signs the contract, of his right to cancel;



- (3) Misrepresent in any manner the buyer's right to cancel;

- (4) Fail or refuse to honor any valid notice of cancellation by a buyer and within ten business days after receipt of the notice to:
 - (a) Refund all payments made under the contract, except that if the buyer has received his first service under the contract the seller may retain or bill the buyer for ten dollars;

 - (b) Cancel and return any note, negotiable instrument, or other evidence of indebtedness executed by the buyer in connection with the contract and take any action necessary to reflect the termination of any security interest or lien created under the contract;

 - (c) Notify the buyer if the seller intends to repossess or abandon any evidence of membership or other goods provided to the buyer by the seller pursuant to the contract.

- (E) If there is in effect an earlier prepaid entertainment contract, this section and section 1345.43 of the Revised Code apply to a transaction in which the seller and the buyer enter into a new prepaid entertainment contract, or a modification of the earlier contract.