

367.980 Required provisions.

- (1) Each rental-purchase agreement shall:
 - (a) Provide that the consumer may terminate the agreement without penalty by voluntarily surrendering or returning the merchandise upon expiration of any lease term; and
 - (b) Contain a provision for reinstatement which, at a minimum permits a consumer who fails to make a timely rental payment to reinstate the agreement, without losing any rights or options which exist under the agreement, by the payment of all past due rental charges, the reasonable costs of pickup, redelivery, any refurbishing and any applicable late fee within five (5) days of the renewal date if the consumer pays monthly, or within two (2) days of the renewal date if the consumer pays more frequently than monthly.
- (2) If a lessee returns the property to the lessor during the times stated in subsection (1) of this section, the reinstatement period shall be extended for an additional thirty (30) days from the date of return.
- (3) Nothing in this section shall prevent a lessor from attempting to repossess property during the reinstatement period, but that repossession shall not affect the consumer's right to reinstate. Upon reinstatement, the lessor shall provide the consumer with the same property or substitute property of comparable quality and condition.

Effective: July 13, 1990

History: Created 1990 Ky. Acts ch. 196, sec. 5, effective July 13, 1990; and ch. 304, sec. 5, effective July 13, 1990.

Legislative Research Commission Note (7/13/90). This section was created by two separate 1990 Acts which are identical and have therefore been compiled together.