

**THE ILLINOIS LAW**  
**BUSINESS TRANSACTIONS**

**(815 ILCS 601/) AUTOMATIC CONTRACT RENEWAL ACT**

(815 ILCS 601/1)

Sec. 1. Short title. This Act may be cited as the Automatic Contract Renewal Act (source: P.A. 91-674, eff. 6-1-00)

(815 ILCS 601/5)

Sec. 5. Definition. In this Act:

**"Contract"** means a written agreement between 2 or more parties.

**"Parties"** include individuals and other legal entities, but do not include the federal government, this State or another state, a unit of local government, or a school district. (Source: P.A. 91-674, eff. 6-1-00)

(815 ILCS 601/10)

Sec. 10. Automatic renewal; requirements

(a) Any person, firm, partnership, association, or corporation that sells or offers to sell any products or services to a consumer pursuant to the contract, where such contract automatically renews unless the consumer cancels the contract, **shall disclose the automatic renewal clause clearly and conspicuously in the contract, including the cancellation procedure.**

(b) Any person, firm, partnership, association or corporation that sells or offers to sell any products or services to a consumer pursuant to a contract, where such contract term is a specified term of 12 months or more, and where such contract automatically renews for a specified term of more than one month unless the consumer cancels the contract, **shall notify the consumer in writing of the automatic renewal. Written notice shall be provided to the consumer not less than 30 days and no more than 60 days before the cancellation deadline pursuant to the automatic renewal clause.** Such written notice **shall disclose clearly and conspicuously:**

(i) that unless the consumer cancels the contract it will automatically renew; and

(ii) **where the consumer can obtain details of automatic renewal provision and cancellation procedure** (for example, by contacting the business at a specified telephone number or address or by referring to the contract).

(c) A person, firm, partnership, association, or corporation will not be liable for a violation of this Act or the Consumer Fraud and Deceptive Business Practices Act **if** such person, firm, partnership, association, or corporation demonstrates, that as part of its routine business practice:



(i) it has established and implemented written procedures to comply with this Act and **enforces compliance with the procedures:**

(ii) any failure to comply with this Act is the result of error; and

(iii) where an error has caused a failure to comply with this Act, **it PROVIDES A FULL REFUND OR CREDIT for all amounts billed to or paid by the consumer from the date of the renewal until the date of the termination of the account, or the date of the subsequent notice of renewal, whichever occurs first.**

(Source: P.A. 93-950, eff. 1-1-05).

(815 ILCS 601/15)

Sec. 15 Violation. A violation of this Act constitutes an unlawful practice under the Consumer fraud and Deceptive Business Practices Act.

(Source: P.A. 93-950, eff. 1-1-05.)

(815 ILCS 601/20)

Sec. 20 Applicability.

(a) This Act does not apply to a contract entered into before the effective date of this Act.

(b) This amendatory act of the 93rd General Assembly does not apply to a contract entered into before the effective date of this amendatory Act of the 93rd General Assembly.

(c) This Act does not apply to business-to-business contracts.

(d) This Act does not apply to banks, trust companies, savings and loan associations, savings banks, or credit unions licensed or organized under the laws of any state or the United States, or any foreign bank maintaining a branch or agency licensed or organized under the laws of any state of the United States, or any subsidiary or affiliate thereof.

(e) This Act does not apply to a contract that is extended beyond the original term of the contract as the result of the consumer's initiation of a change in the original contract terms.

(Source: P.A. 93-950, eff. 1-1-05).