

AN ACT concerning business.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Automatic Contract Renewal Act is amended by changing Section 10 as follows:

(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 a 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 no 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 the 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).

(b-5) A person, firm, partnership, association, or corporation that makes an automatic renewal offer or continuous service offer online shall provide a toll-free telephone number, electronic mail address, a postal address if the seller directly bills the consumer, or another cost-effective, timely, and easy-to-use mechanism for cancellation that shall be described in the notice required in subsection (b). A consumer who accepts an automatic renewal or continuous service offer online must be allowed to terminate the automatic renewal or continuous service exclusively online, which may include a termination email formatted and provided by the business that a consumer can send to the business without additional information.

(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.)