

50-684. Same; required disclosures in agreement. (a) For each lease-purchase agreement, the lessor shall disclose in the agreement the following items, as applicable:

- (1) the total number, total amount and timing of all payments necessary to acquire ownership of the property;
 - (2) a statement that the consumer will not own the property until the consumer has made the total payment necessary to acquire ownership;
 - (3) a statement that the consumer is responsible for the fair market value of the property if, and as of the time, it is lost, stolen, damaged or destroyed;
 - (4) a brief description of the leased property, sufficient to identify the property to the consumer and the lessor, including an identification number, if applicable, and a statement indicating whether the property is new or used, but a statement that indicates new property is used is not a violation of this act;
 - (5) a brief description of any damages to the leased property;
 - (6) a statement of the cash price of the property. Where the agreement involves a lease of five or more items as a set, in one agreement, a statement of the aggregate cash price of all items shall satisfy this requirement;
 - (7) the total of initial payments paid or required at or before consummation of the agreement or delivery of the property, whichever is later;
 - (8) a statement that the total of payments does not include other charges, such as late payment, default, pickup and reinstatement fees, which fees shall be separately disclosed in the contract;
 - (9) a statement clearly summarizing the terms of the consumer's option to purchase, including a statement that the consumer has the right to exercise an early purchase option and the price, formula or method for determining the price at which the property may be so purchased;
 - (10) a statement identifying the party responsible for maintaining or servicing the property while it is being leased, together with a description of that responsibility, and a statement that if any part of a manufacturer's express warranty covers the leased property at the time the consumer acquires ownership of the property, it shall be transferred to the consumer, if allowed by the terms of the warranty;
 - (11) the date of the transaction and the identities of the lessor and consumer;
 - (12) a statement that the consumer may terminate the agreement without penalty by voluntarily surrendering or returning the property in good repair upon expiration of any lease term along with any past due rental payments; and
 - (13) notice of the right to reinstate an agreement as herein provided.
- (b) With respect to matters specifically governed by the federal consumer credit protection act, compliance with such act satisfies the requirements of this section.

History: L. 1991, ch. 71, § 5; July 1.