

HOME IMPROVEMENT FINANCE ACT (EXCERPT)
Act 332 of 1965

445.1206 Home improvement installment contract and home improvement charge agreement; prohibited provisions.

Sec. 206. (1) A home improvement installment contract or home improvement charge agreement shall not contain any provision by which:

(a) The buyer agrees not to assert against a contractor a claim or defense arising out of the home improvement installment sale or a home improvement charge sale or agrees not to assert against an assignee such a claim or defense.

(b) In the absence of the buyer's default in the performance of any of the buyer's obligations, the holder may, arbitrarily and without reasonable cause, accelerate the maturity of any or all of the amount owing thereunder.

(c) The buyer waives any right of action against the contractor or holder, or a person acting on his or her behalf, for any illegal act committed in the collection of payments under the contract or agreement.

(d) The buyer relieves the contractor from liability for any legal remedies which the buyer may have against the contractor under the contract or agreement or any separate instrument executed in connection with the contract or agreement.

(e) The contractor, or holder, or a person acting on his or her behalf, is authorized to enter upon the premises of the buyer unlawfully, or is authorized to commit any breach of the peace in connection with any repossession or other entry upon the premises of the buyer.

(f) The contractor is entitled to liquidated damages for any cancellation, rescission, or failure or refusal to accept delivery of the goods or performance of the services covered in the contract or provided pursuant to the agreement.

(2) Any provision prohibited under subsection (1) is void but shall not otherwise affect the validity of the contract or agreement.

History: 1965, Act 332, Eff. Jan. 1, 1966;—Am. 1985, Act 202, Imd. Eff. Dec. 27, 1985.