

CORRESPONDENCE SCHOOL CONTRACTS (EXCERPT)
Act 331 of 1937

566.551 Contracts with correspondence schools; construction, negotiability.

Sec. 1.

Any contract for the furnishing of a course of study or the sale of books or rendering other service in connection therewith by a correspondence school which is signed by the other party to such contract in this state shall for the purpose of this act be deemed to have been completely executed in this state and the validity of any such contract shall be determined by the laws of this state. Every assignee or other transferee of any such contract or other instrument, whether or not such instrument is negotiable and regardless of the person to whom such instrument is made payable, which is executed by such other party either in payment of, or as evidence of, or as security for the consideration which under such contract such other party is required to pay, or any part thereof, shall be conclusively presumed to have had knowledge at the time of the transfer of such instrument to him of any defense the maker thereof would have had as against the other party to such contract or instrument, which defense shall be available to him as defense in such action.

History: 1937, Act 331, Imd. Eff. July 24, 1937 ;-- CL 1948, 566.551