

**RETAIL INSTALLMENT SALES ACT (EXCERPT)**  
**Act 224 of 1966**

**445.871a Compliance with federal truth-in-lending act; violation as unintentional and bona fide error; burden of proof.**

Sec. 21a.

A retail seller is not liable for a violation of this act if the retail seller has fully complied with the federal truth-in-lending act, Public Law 90-321, 15 U.S.C. 1601 to 1607e and shows that the violation was an unintentional and bona fide error notwithstanding the maintenance of procedures reasonably adopted to avoid the error. Examples of a bona fide error include clerical, calculation, computer malfunction, programming, or printing errors. An error in legal judgment with respect to a person's obligations under this act is not a bona fide error. A violation of this act resulting from a bona fide error may be corrected in the same manner as provided for in section 130(b) of the truth-in-lending act, 15 U.S.C. 1640(b). The burden of proving that a violation was an unintentional and bona fide error is on the retail seller.

**History:** Add. 1995, Act 167, Eff. Mar. 28, 1996