

MOTOR VEHICLE SALES FINANCE ACT (EXCERPT)
Act 27 of 1950 (Ex. Sess.)

492.112 Installment sale contract; contents; signatures; buyer's copy; notice; form; delivery acknowledgment; payments; applicability.

Sec. 12.

(1) An installment sale contract must be in writing, contain all of the agreements between the buyer and the seller relating to the installment sale of the motor vehicle sold, and be signed by both the buyer and the seller.

(2) An installment sale contract must be completed as to all essential provisions before the signing of the contract by the buyer and contain other information as the administrator may require.

(3) An exact copy of the installment sale contract must be furnished by the seller to the buyer without charge at the time the buyer signs the contract. The buyer's copy of the contract must contain the signature of the seller identical with the signature on the original contract.

(4) An installment sale contract must contain the following notice printed prominently and in the form indicated in 12-point type or larger directly above the space provided in the contract form for the signature of the buyer:

"Notice to buyer. Do not sign this contract in blank. You are entitled to 1 true copy of the contract you sign without charge. Keep it to protect your legal rights."

(5) The seller shall obtain from the buyer a written acknowledgment of the delivery of the copy of the contract. The acknowledgment must be printed in 12-point type or larger and, if attached to the contract, it must be printed below the buyer's signature to the contract and independently signed.

(6) Except as otherwise provided in this subsection and section 22, an installment sale contract must provide for weekly, semi-monthly, or monthly payments of the time balance in substantially equal periods and amounts. This subsection does not do either of the following:

(a) Apply to an installment sale contract made between a seller and a buyer who is an employee of the seller.

(b) Prohibit an installment sale contract that extends the time for making installment payments for a period of not to exceed 3 months.

History: 1950, Ex. Sess., Act 27, Eff. Mar. 31, 1951 ;-- Am. 1954, Act 132, Imd. Eff. Apr. 23, 1954 ;-- Am. 1994, Act 2, Imd. Eff. Feb. 17, 1994 ;-- Am. 2024, Act 94, Imd. Eff. July 23, 2024