

What Small Claims Magistrates Need to Know about RISA's Rules: The Big Ten

1. Contract must be written, dated, and signed by the buyer.
2. Amount of finance charge (defined broadly) limited, depending on amount of purchase.
3. Duration of obligation limited, depending on amount of purchase.
4. Fees for default or payment deferral limited.
5. Prepayment of obligation always permitted, and entitles buyer to rebate.
6. Seller is required to provide buyer with receipts for payment and regular complete statements of account.
7. A buyer's claims and/or defenses apply to assignees of seller
8. Written modification or disclaimer of express warranty made by seller and relied on by buyer prohibited.
9. FIFO requirement applies to allocation of payments in case of subsequent financed purchases.
10. Reasonable attorney's fee allowed to prevailing party.