

The following chart is intended to provide general guidance regarding the timing and content requirements for a notice of a right to cure and is not meant to serve as a substitute for reading the various laws discussed, seeking legal counsel, or otherwise requesting Department guidance and/or interpretations on the laws it administers and enforces.

NOTICE OF RIGHT TO CURE (RTC)

Timing, Content and What the Consumer Can Cure

Description/Activity	Credit Sale, Loan, Lease	Rental-Purchase Agreement (Rent-to-Own)
Payment Due	Day 1	Day 1
Delay required before sending Notice of RTC	<p>§ 37-5-110(1) 10 full days:</p> <p style="text-align: right;">Day 2 Day 3 Day 4 Day 5 Day 6 Day 7 Day 8 Day 9 Day 10 Day 11</p>	<p>§ 37-5-110(3) 3 full business days:</p> <p style="text-align: right;">1st business day 2nd business day 3rd business day</p>
First day creditor/lessor can send Notice of RTC	Day 12	Day after the 3rd business day <i>(Day 5 would be the earliest the Notice of RTC could be sent and that is only if Days 2, 3, and 4 are all business days)</i>
Minimum period for consumer to cure default after notice is given	<p>§ 37-5-111(1) 20 full days before creditor/lessor can:</p> <ul style="list-style-type: none"> • accelerate maturity of the unpaid balance of the obligation, or • take possession of or otherwise enforce a security interest in goods that are collateral 	<p>§ 37-5-111(3) If payments or options to renew are <u>monthly or less frequent than monthly</u>; lessor may not instigate court action to recover rented property until <u>5 days</u> after giving Notice of RTC</p> <p>§ 37-5-111(4) If payments or options to renew are more frequent than monthly (e.g. weekly or biweekly); lessor may not instigate court action to recover rented property until 3 days after giving Notice of RTC</p>

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<p>Content of Notice of RTC</p>	<p>§ 37-5-110(2) The notice must be in writing and conspicuously state:</p> <ul style="list-style-type: none"> ▪ the name, address and telephone number of the creditor to whom payment is to be made, ▪ a brief identification of the credit transaction, ▪ the consumer’s right to cure the default, and ▪ the amount of payment and date by which payment must be made to cure the default. 	<p>§ 37-5-110(4) The notice must be in writing and conspicuously state:</p> <ul style="list-style-type: none"> ▪ the name, address, and ▪ telephone number of the lessor to whom payment is to be made, ▪ a brief identification of the transaction, ▪ the consumer’s right to cure the default, and ▪ the amount of payment and date by which payment must be made to cure the default.
<p>Types of default and how consumer can cure them</p>	<p>§ 37-5-111(1) Consumer may cure:</p> <p>What: all defaults consisting of a failure to make the required payment</p> <p>How: by tendering the amount of all unpaid sums due at the time of the tender, without acceleration, plus any unpaid delinquency or deferral charges</p>	<p>§ 37-5-111(5) Consumer may cure:</p> <p>What: all defaults consisting of failure to renew and failure to return the property</p> <p>How: by tendering the amount of all unpaid sums due at the same time of the tender plus any unpaid delinquency charges or other charges authorized by Part 7, Chapter 2</p>