FACT SHEET

Proposed Changes to the FTC's Negative Option Rule

Comments open soon at Regulations.gov

What We Know:

People and sellers often like free trials and recurring subscriptions

But they're less good for people when

- Marketers don't give them all the necessary information
- They get billed when they didn't agree to pay
- Sellers make it hard or impossible to cancel

Reports to the FTC say that these practices have hurt consumers for decades

People have been stuck with recurring payments for things they never wanted or didn't want to keep getting

And the FTC's law enforcement cases and rules have only gotten part way to fixing the problems.

What We Propose:

The FTC proposes amending its Negative Option Rule to:

- Prohibit misrepresentations
- Give people important information in clear ways
- Make sure people know what they're agreeing to
- Let people cancel simply and easily
 - » Sign up online? Cancel online.

The amended rule would:

- Set clear, enforceable, performance-based requirements
- Apply to all subscription features in all media
- Make sure people understand and agree to what they're buying
- Make sure people can cancel without jumping through lots of hoops





