

## GEORGIA

### Are mandatory arbitration provisions recognized in your state? If so, are there any limitations to its enforcement?

Arbitration provisions in Georgia are governed by the Georgia Arbitration Code. Arbitration clauses for the foregoing are not subject to the Georgia Arbitration Code and therefore, unenforceable:

- 1) Agreements coming within the purview of Article 2 of this chapter, relating to arbitration of medical malpractice claims;
- 2) Any collective bargaining agreements between employers and labor unions representing employees of such employers;
- 3) Any contract of insurance, as defined in Code Section 33-1-2; provided, however, that nothing in this paragraph shall impair or prohibit the enforcement of or in any way invalidate an arbitration clause or provision in a contract between insurance companies;
- 4) Any other subject matters currently covered by an arbitration statute;
- 5) Any loan agreement or consumer financing agreement in which the amount of indebtedness is \$25,000.00 or less at the time of execution;
- 6) Any contract for the purchase of consumer goods, as defined in Title 11, the "Uniform Commercial Code," under subsection (1) of Code Section 11-2-105 and subsection (a) of Code Section 11-9-102;
- 7) Any contract involving consumer acts or practices or involving consumer transactions as such terms are defined in subsection (a) of Code Section 10-1-392, relating to definitions in the "Fair Business Practices Act of 1975";
- 8) Any sales agreement or loan agreement for the purchase or financing of residential real estate unless the clause agreeing to arbitrate is initialed by all signatories at the time of the execution of the agreement. This exception shall not restrict agreements between or among real estate brokers or agents;
- 9) Any contract relating to terms and conditions of employment unless the clause agreeing to arbitrate is initialed by all signatories at the time of the execution of the agreement; or
- 10) Any agreement to arbitrate future claims arising out of personal bodily injury or wrongful death based on tort.<sup>i</sup>

### What is your state's law, if any, regarding gift cards, subscription services and loyalty programs?

#### Gift Cards:

The Georgia legislature enacted the Gift Card Integrity Act of 2005. The Act requires the purveyors of all such gift cards or certificates sold in Georgia on or after the effective date to:

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- Include the terms of the card in the accompanying packaging, make these available upon request, and honor the card in exchange for merchandise or services in accordance with those terms;
- Conspicuously print the expiration date, if any, on the card; and
- Conspicuously print the amount of any dormancy or nonuse fees on the card or a sticker affixed to it.<sup>ii</sup>

### Subscription Services:

Georgia has passed legislation aimed at regulating the use of automatic renewal provisions in service contracts. The Law expressly provides that:

- Any seller that sells, leases, or offers to sell or lease any service to a consumer pursuant to a service contract that has an automatic renewal provision shall disclose the automatic renewal provision clearly and conspicuously in the contract or contract offer.<sup>iii</sup>
- Any seller that sells, leases, or offers to sell or lease any service to a consumer pursuant to a service contract for a specified period of 12 months or more and that automatically renews for a specified period of more than one month, unless the consumer cancels the contract, shall provide the consumer with written or electronic notification of the automatic renewal provision. Notification shall be provided to the consumer no less than 30 days or no more than 60 days before the cancellation deadline pursuant to the automatic renewal provision. Such notification shall disclose clearly and conspicuously:
  1. That unless the consumer cancels the contract, the contract will automatically renew; and
  2. The methods by which the consumer may obtain details of the automatic renewal provision and cancellation procedure, including contacting the seller at a specified telephone number or address, referring to the contract, or any other method.
- For any contract for service to a consumer that automatically renews for a specified period of more than 24 months, the seller shall, in addition to providing the notification required under subsection (a) of this Code section, obtain the following for the automatic renewal provision of such contract to be enforceable:
  1. Written or electronic acknowledgment from the consumer of receipt of the notification required under subsection (a) of this Code section; and
  2. An affirmative written or electronic response that the consumer does not intend to terminate the service contract.<sup>iv</sup>

### Loyalty Programs:

Georgia does not have a law regarding loyalty programs.

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<sup>i</sup> O.C.G.A. § 9-9-2(c)

<sup>ii</sup> O.C.G.A. § 10-1-393(33)(A)

<sup>iii</sup> O.C.G.A. § 13-12-2

<sup>iv</sup> O.C.G.A. § 13-12-3