Subscription Cancellations Are Now Easier Due To New FTC Rule - Regulations

In order to address the difficulty and annoyance of canceling unwanted subscriptions and memberships, the Federal Trade Commission (FTC) adopted new rules to protect consumers and facilitate the cancellation process. The FTC plans to impose fines and penalties to those vendors that don't comply or fail to fulfill the required mandates.

The FTC's "Click-to-Cancel" rule is aimed at making it easier for consumers to cancel unwanted subscriptions and memberships by requiring businesses to provide a cancellation process that is at least as easy as the sign-up process.

If consumers signed up online, they must be able to cancel online without having to interact with a representative. For phone sign-ups, a telephone cancellation option must be available during business hours at no additional cost.

The "Click-to-Cancel" rule takes full effect 180 days after publication in the Federal Register of the FTC, which is expected to be around April 14, 2025.

Source: Federal Trade Commission

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